



**Global Social Enterprise**

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# **THE STATE OF SOCIAL ENTERPRISE IN THAILAND**

# Foreword

## **The story of social enterprise in Thailand, increasingly promoted by the government, dates back to as long as a hundred years ago.**

The very first organisations that could be considered social enterprises were co-operatives, self-established by low-income agricultural communities in rural areas. These co-operatives have their beneficiaries as shareholders, tackling the problem of rural poverty through their mission and ensuring access to finance, agricultural inputs and markets. Early entrepreneur-led social enterprises date back to the 1970s. These were social projects or organisations that later took on business activities to ensure their financial sustainability, helping them fulfil their social objectives. Today we see many more types of social enterprises enter the scene. As understanding of the concept has spread, many young entrepreneurs have set up social enterprises in the past decade. More NGOs have been moved towards the social enterprise model, as well as corporates spinning off their Corporate Social Responsibility (CSR) programmes to establish separate social enterprise entities.

The government of Thailand acknowledges the great efforts of these community based social entrepreneurs. The growth of existing social enterprises and encouraging new entrants contribute to the alleviation and ultimate elimination of social problems in the country. As such, the Social Enterprise Promotion Act was finally enacted in May 2019 under my service as the National Social Enterprise Promotion Committee Chairman. As a result of these decade-long efforts, the establishment of governmental bodies and legislation formalises this support. With the newly established Office of Social Enterprise Promotion, the official certification of social enterprises along with promotional measures have been introduced. These include tax benefits for social enterprises and supporters, and deregulation of investments through public offerings. The Office will also launch other measures, including preferential procurement terms, the Social Enterprise Promotion Fund and many more initiatives in the near future.

This report comes in a timely manner to complement our efforts in formulating related policies and promotional measures. It will also be useful for other players in the ecosystem to help them make informed decisions on their support, while providing a better understanding of social enterprise for the Thai public, bringing greater support to the sector.

There is still a lot that needs to be done. Social enterprises in Thailand still face challenges such as achieving greater competitiveness, access to finance and markets. Filling these gaps needs a holistic effort from every sector – the government, corporates, investors, ecosystem builders, academics and the public. The growth of social entrepreneurship will certainly contribute to economic growth while also ensuring social inclusivity for our nation.



**Mr Jurin Laksanawisit**  
**Deputy Prime Minister and Commerce Minister**  
**Chairman of the National Social Enterprise Promotion Committee**



Jasberry, established in 2013, is a social enterprise that solves the problem of farmer poverty through innovative organic products with global appeal, starting with Jasberry® rice. Beginning with just 25 farmers' families in the first year, Jasberry is now working with over 2,500 farmers' families, affecting over 12,000 lives, helping them out of poverty, one grain at a time.



# ABOUT THE BRITISH COUNCIL



The British Council builds connections, understanding and trust between people in the UK and other countries through arts and culture, education and the English language.

We help young people to gain the skills, confidence and connections they are looking for to realise their potential and to participate in strong and inclusive communities. We support them to learn English, to get a high-quality education and to gain internationally recognised qualifications. Our work in arts and culture stimulates creative expression and exchange and nurtures creative enterprise.

We promote the development of social enterprise as a means of addressing entrenched social and environmental problems and delivering positive change to our communities and societies. Our Global Social Enterprise programme draws on UK and global experience and is delivered across more than 30 countries with local and international partners.

# ABOUT UNESCAP



The Economic and Social Commission for Asia and the Pacific (ESCAP) serves as the United Nations' regional hub promoting cooperation among member states in the Asia-Pacific region towards inclusive and sustainable development. The largest regional intergovernmental platform with 53 member states and nine associate members, ESCAP is a strong regional think tank offering countries sound analytical products and insight into the evolving economic, social and environmental dynamics of the region.

The Commission's strategic focus is to deliver on the 2030 Agenda for Sustainable Development, which it does by reinforcing and deepening regional co-operation and integration to advance connectivity, financial co-operation and market integration. Research and analysis coupled with ESCAP policy advisory services, capacity building and technical assistance to governments support its members' sustainable and inclusive development ambitions.

# ABOUT THAILAND DEVELOPMENT RESEARCH INSTITUTE (TDRI)



The TDRI began as a public policy research institute in 1984. Its legal form is that of a private non-profit foundation. It provides technical analysis (mostly but not entirely in economic areas) to various public agencies to help formulate policies to support long-term economic and social development in Thailand.

In line with this central objective, it is mandated to: conduct policy research; network extensively with other institutions and individuals engaged in policy research, both in Thailand and abroad; and disseminate its research results to ensure maximum impact on policymaking



# ABOUT SOCIAL ENTERPRISE THAILAND ASSOCIATION



Social Enterprise Thailand Association (SE Thailand) was established in 2019 as a membership-based organisation made up of social enterprises. Its mission includes:

**CONNECT** : build a network among social enterprises and collaboration between social enterprises and other sectors to boost social and environmental impact.

**COMMUNICATE** : communicate and share practical knowledge of social enterprises, while raising awareness for the general public.

**CATALYSE** : advocate policies that contribute to solving social problems and creating social development through events, knowledge sharing, collaboration. etc.

# ABOUT SOCIAL ENTERPRISE UK



Social Enterprise UK is the biggest network of social enterprises in the UK and a leading global authority on social enterprise. Our membership is a network that includes all the leading lights of the UK social enterprise movement from multimillion-pound healthcare and public service providers to community organisations and retail businesses. We are the membership body for social enterprise.





# Acknowledgements

The British Council commissioned this study and HSBC supported it. It was conducted by Social Enterprise Thailand Association in collaboration with Thailand Development Research Institute and with support from Social Enterprise UK.

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- C asean
- ChangeFusion
- Ministry of Agriculture and Cooperatives
- National Innovation Agency
- Office of Social Enterprise Promotion
- SEED
- School of Changemakers
- Stock Exchange of Thailand
- Thai Health Promotion Foundation

Finally, we would like to thank all the non-governmental organisations, co-operatives, community enterprises, small and medium enterprises, social enterprises and entrepreneurs who completed the survey and participated in our workshops.

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Socialgiver is a crowdfunding platform that aims to bridge the gaps between those who have the most and those left furthest behind, to battle Thailand's growing wealth inequality. Socialgiver works with over 300 leading brands such as luxury resorts, fine-dining restaurants, and other travel and lifestyle experiences to raise funds for local projects. On Socialgiver, customers can shop for the best deals from Thailand's most loved brands while automatically donating 50-70% of sales revenue to support high impact projects.

Socialgiver has funded more than 40 projects that have affected over 150,000 lives. The photograph shows one of the donation recipients, the Camillian Home which provides care for orphaned or abandoned children with disabilities.



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Since 2015, Buddy HomeCare (BHC), a social enterprise operated by the Foundation for Older Persons' Development (FOPDEV), has been working on an innovative intergenerational approach to solving the dual problems of older people in need of care services and of indigenous youths living in poverty with limited educational opportunities.

BHC provides a three-month training course for these youths with a curriculum designed by Chiang Mai University's faculty of nursing. To date, 35 hill tribe youths have been trained through the programme and 15 have gone on to assist BHC as caregivers. The remaining 20 have all stayed in the healthcare field, working as healthcare volunteers and change agents in their communities.

In addition, BHC aims to support disadvantaged and low-income older adults and so have offered basic healthcare training and a licence to access the healthcare monitoring system to 253 family caregivers. This has led to them providing 1,743 home visits and has allowed 33 older persons to recover and/or maintain their health condition following health analysis from information collected via the BHC monitoring system mobile application.



Folkcharm is a social enterprise that offers apparels and products with the right blend of contemporary living and traditional wisdom with the vision to grow a community of conscious consumers. The company ensures that raw materials and the production process are chemical-free; cotton farmers, hand-spinners and hand-weavers in the communities receive the fairest share in the process; and that the products are fully traceable. Through sales of the products and storytelling, it promotes awareness among consumers on the value of traditional crafts, fair trade, and the fashion and craft industry's environmental impact. Folkcharm joins Fashion Revolution Thailand through its campaigns and activities such as #whomakesmyclothes and #whatsinmyclothes to educate consumers on the significance of transparency and traceability that can end unfair trading practices and environmental degradation in the supply chain.

# Acronyms

|               |  |
|---------------|--|
| <b>ASEAN</b>  | Association of Southeast Asian Nations                       |
| <b>B.E.</b>   | Buddhist Era (Thai Calendar; A.D. plus 543)                  |
| <b>KII</b>    | Key Informant Interview                                      |
| <b>OSEP</b>   | Office of Social Enterprise Promotion                        |
| <b>PRS SE</b> | Pracharath Rak Samakkee social enterprises                   |
| <b>REDD+</b>  | Reducing emissions from deforestation and forest degradation |
| <b>TDRI</b>   | Thailand Development Research Institute                      |
| <b>TSEO</b>   | Thailand Social Enterprise Office                            |
| <b>UNDP</b>   | United Nations Development Programme                         |

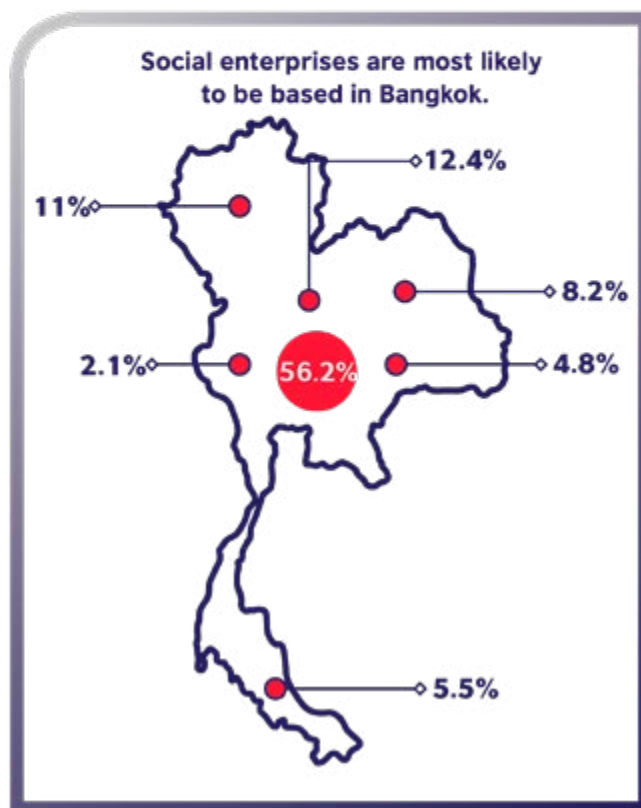
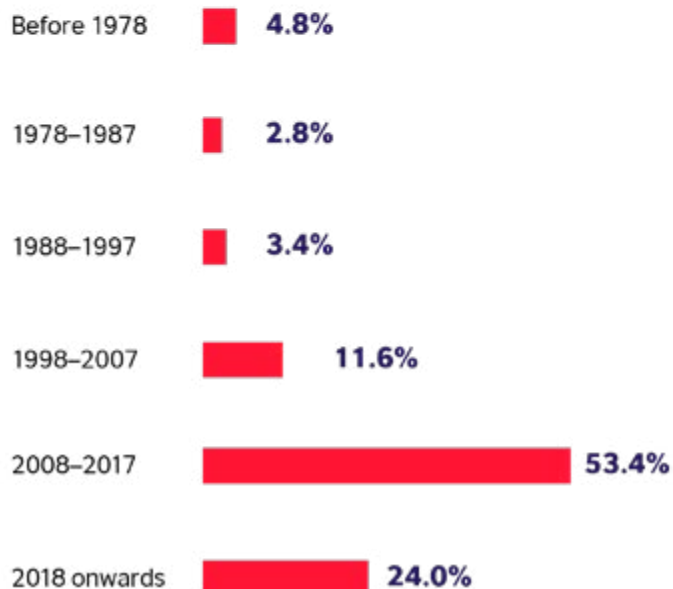


# Executive summary

The key findings from the survey of 146 social enterprises across Thailand were:

## Social enterprises are often young and the numbers are growing.

Percentage of SEs by year of establishment



Social enterprises operate within diverse industries. The top three are agriculture, fisheries and livestock; education; and health.



15.8%



12.3%



11.6%

The majority are registered as a limited company, and many are seeking to be legally registered as Social Enterprise under the Thai Social Enterprise Promotion Act.



Limited company

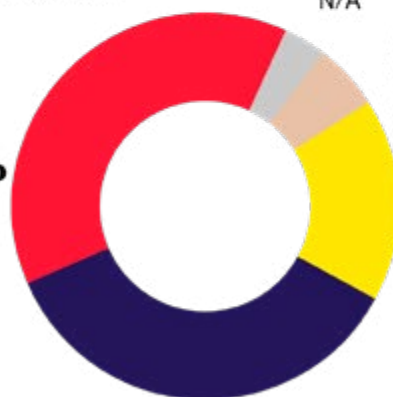


Co-operative



Foundation/  
association

38.4%  
Intend to  
register  
in the future



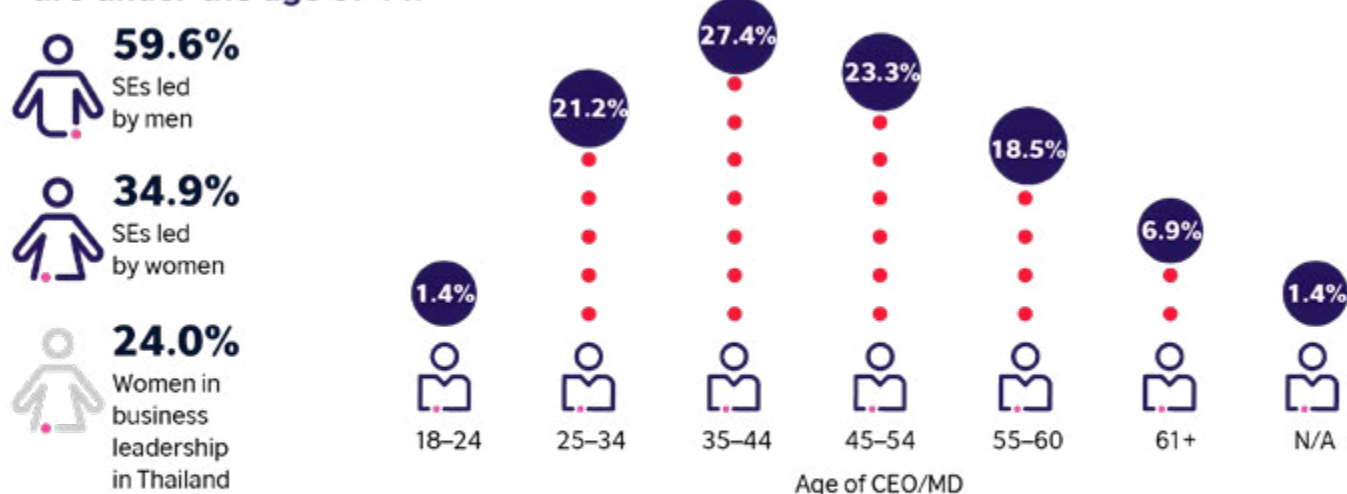
35.6%  
Do not intend  
to register

17.1%  
Registered

5.5%  
In the process  
of registration

3.4%  
N/A

Social enterprises are more often led by women than general businesses are, and they are led by people of all ages. Fifty per cent of social enterprise leaders are under the age of 44.



Social enterprises receive financial support from a range of sources with corporate grants, family and friends, and personal income the most common sources.

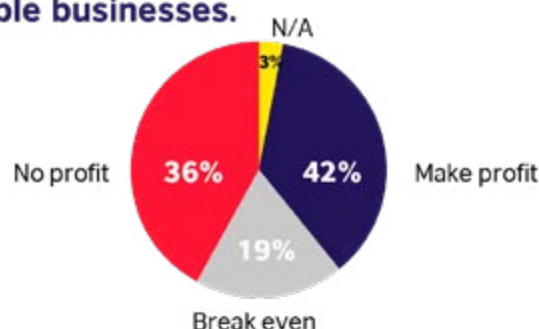


Social enterprises earn their revenue through commercial activities.



\*The rest 4.1% prefer not to answer this question.

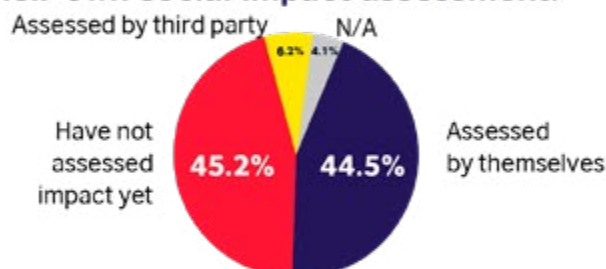
Social enterprises are viable businesses.



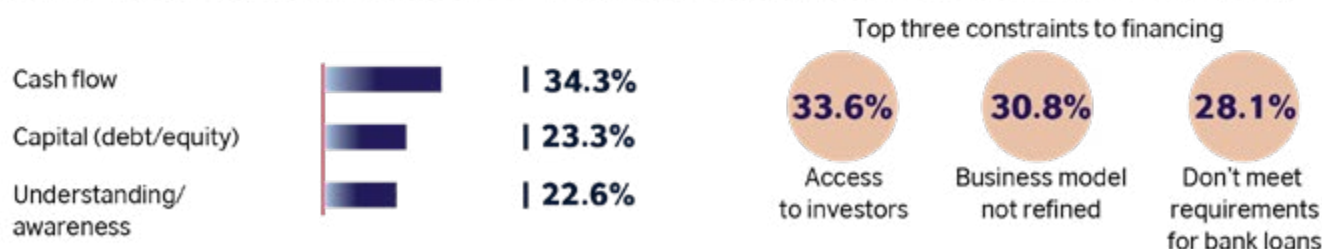
Social enterprises are creating impact for a diverse group of beneficiaries.



Almost half of social enterprises conduct their own social impact assessment.



Major challenges include access to finance and awareness of social enterprises.





## 1

# Introduction

‘ The State of Social Enterprise in Thailand aims to understand the current status of social enterprises (hereafter called SEs) across Thailand. This study can help support and nurture SEs in the future while also exploring the effect SEs have on society and Thailand’s environment. Furthermore, this study looks into the impact that the Covid-19 pandemic has had on SEs in Thailand, and their response to this crisis. The findings and analysis have been developed into a set of evidence-driven policy recommendations for relevant agencies and stakeholders in the SE ecosystem in Thailand.’





# Methodology

## 2.1 Research overview

This study employs both qualitative and quantitative methods. On the qualitative side, we conducted key informant interviews (KIIs) with 19 government agencies, universities, intermediaries, and other organisations representing the main players in Thailand's social enterprise ecosystem. During each interview, we asked about the support available to SEs, the challenges and limitations for SEs in receiving such support, and recommendations for future growth. We conducted the KIIs from March to August 2020.

On the quantitative side, we adopted the questionnaire developed by the British Council for research in various countries, and adapted some questions to fit the local context better. Given the ongoing Covid-19 pandemic, we chose an online survey as the main evidence collecting tool. We distributed the link to the online survey among networks of social actors and the general public from April to July 2020. The survey asks 41 questions, in both Thai and English language, on eight topics: general information, organisation status, personnel, operations, social impact, obstacles, effects of Covid-19, and additional information.

## 2.2 Classifying social enterprises

This survey aims to be as inclusive as possible. Therefore, its scope is not limited to SEs registered under the Social Enterprises Promotion Act B.E. 2562 (2019). Many organisations in Thailand operate for social and environmental purposes and generate earned income but have not registered as, or call themselves, SEs.

In total, we collected 202 responses. To focus only on SEs, we took three steps, as follows.

**Step 1: Removing uncompleted responses:** There were 29 respondents who did not answer all questions and could not be used for further analysis. Most of these dropped out at the question about the gender of the CEO/MD of their organisation, and staff ratio. In some organisations, especially large ones with long chains of hierarchy, such information may not be shared with every staff member, and so the respondents may have left the survey at this point and passed the link on to others within the organisation. This left us with a total of 173 organisations.

**Step 2: Removing duplicate answers:** there were two sets of respondents from the same organisations that were further eliminated, leaving a total of 171 responses.

**Step 3: Defining social enterprises:** to determine if the remaining respondents were qualified SEs for the purposes of this research, we used the following three questions included in the survey as screening questions. These were based on our consultation with stakeholders and we do not claim that this represents an accepted definition of social enterprise, merely the most suitable approach for the purposes of this research.

### • What is the main purpose of your business?

Eight respondents answered "For-profit only". These respondents were removed.

### • Do you generate earned income/ trading revenue?

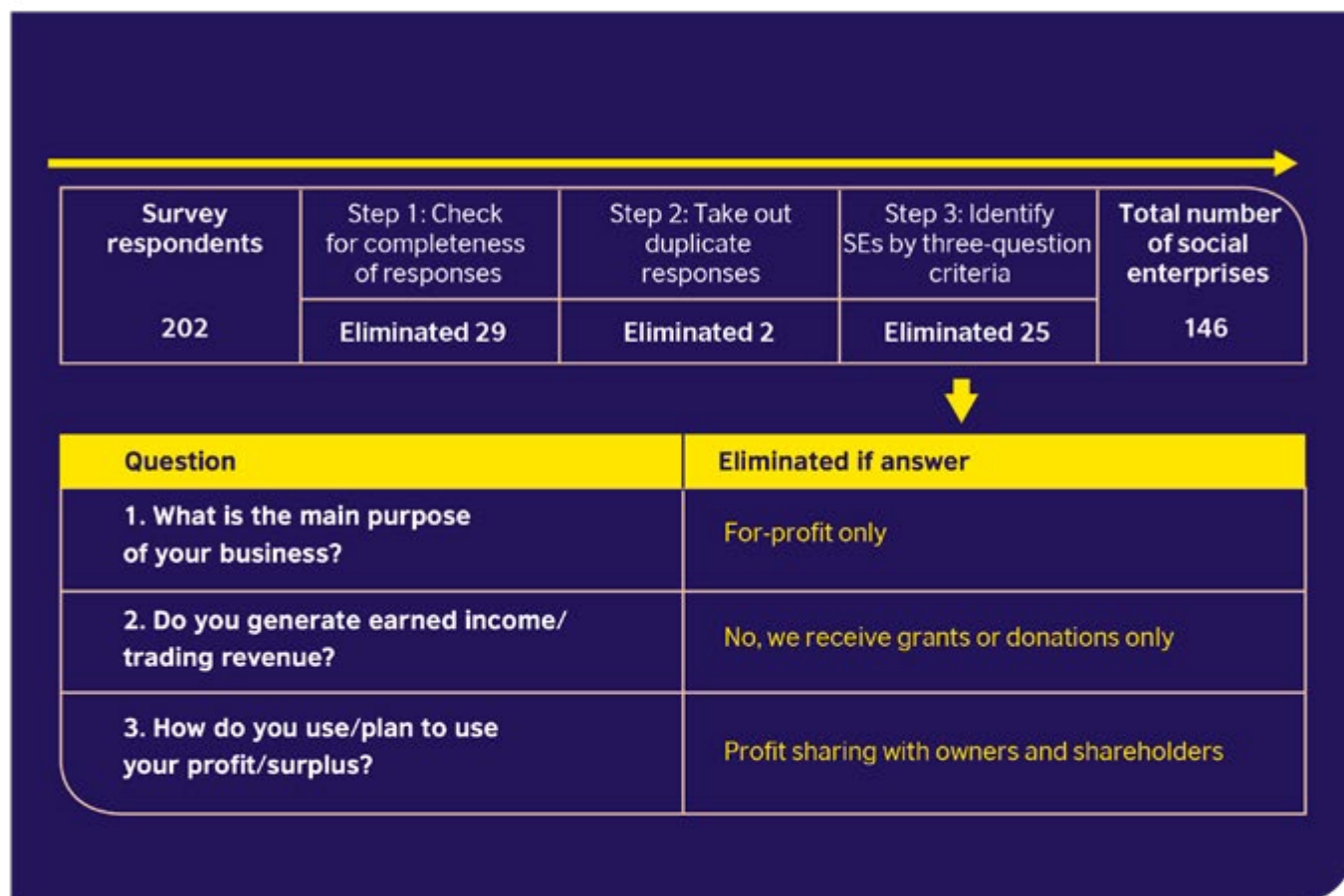
We eliminated 16 respondents from our sample pool who answered 'No, we receive grants or donations only.'

### • How do you use/plan to use your profit/surplus?

Four respondents answered: 'Profit sharing with owners and shareholders' and were screened out from our sample.

Using the above criteria, we eliminated 25 respondents who did not fit the definition of SE used for this research. This left us with 146 respondents, the details of which are illustrated in Figure 2.1.

**Figure 2.1** Steps taken to identify social enterprises



Number of organisations meeting the three criteria.



## 2.3 Estimated number of social enterprises in Thailand

As SEs take a range of forms and do not all register as such, the exact number of SEs operating in Thailand is unknown.

A report from the National Social Enterprise Office in 2014 established an estimate of 116,298—with 1,915 operating in Bangkok and 114,383 operating in other provinces.<sup>1</sup> The Asia Foundation has made a similar estimate in 2015, at over 120,000 SEs.<sup>2</sup>

### Case study 1: Mae Fah Luang Foundation under Royal Patronage

In 1972 H.R.H. Princess Srinagarindra, the grandmother of the current King Rama X, founded the Thai Hill Crafts Foundation under the Royal Patronage of Her Royal Highness. Its very first activities were to market hill tribe crafts and train life skills for the youth from poor ethnic minority groups in Northern Thailand. The Thai Hill Crafts Foundation was later renamed the Mae Fah Luang Foundation (MFLF) under Royal Patronage when it began to incorporate rural development in its activities.

One of the flagship projects was the Doi Tung Development Project (DTDP), established in 1988 in the Golden Triangle where opium cultivation was highest in the world.

DTDP aimed to solve this illicit crop cultivation along with other problems including lack of citizenship, human and arms trafficking among the ethnic minorities, as well as forest degradation. The project successfully transformed the opium cultivation area into a reforested area through a holistic approach that tackles the problem at the root cause—poverty and lack of opportunity. The project's activities ranged from rehabilitation for opium addicts, provision of healthcare and education, to creating alternative livelihood opportunities that benefited a total population of 8,200 when the project first started (currently 11,000) in the area of roughly 37,000 acres.

To further promote sustainability and ownership, the DTDP became a social enterprise under the brand “DoiTung”. It started originally as a trader of coffee beans, and gradually expanded its operation to coffee and macadamia processing, horticulture, handicrafts and tourism. The project creates market access through selling products in cafes and retail stores. All profits are reinvested towards social development activities for the community.

Project impact:

- An increase of household income from US\$834 in 1987 to US\$19,337 in 2018.
- The average household income has been over the national poverty line since 1992.
- An increase of forest area from 28 per cent to 85 per cent of the total project area.
- MFLF's revenue in 2018 was US\$35 million, which was equally divided between the development units and business units.

Recent achievements include creating zero waste from the project's facilities to landfill and registering two projects of 35,000 acres as project-levelled REDD+, initiating Doi Tung Plus, a social enterprise store in 2018 to provide a shared store space for several social enterprises selling their products or services.

Apart from DTDP in Chiang Rai province, the MFLF has also expanded its development projects domestically and internationally including in Myanmar, Afghanistan, and Indonesia.



<sup>1</sup> [2014]. แผนพัฒนารัฐบาลเพื่อสังคม พ.ศ. 2553-2557. Bangkok: The National Social Enterprise Office.

<sup>2</sup> Yeoh, A. (2015). Challenges in the Malaysian Social Enterprise Scene. The Asia Foundation.



## 3

# Overview: country context and existing research on social enterprise

## 3.1 Country overview<sup>3</sup>

Thailand is one of the most vibrant countries in Southeast Asia, characterised by its welcoming environment for foreign investment, regional offices of many international organisations and significant tourism.

The country's total population is 66.6 million with 16 per cent aged under 14, 64 per cent between 15 and 59 and 17 per cent over 60 (the rest 2 per cent are indistinguishable). The population growth rate from 2018 to 2019 was 0.2 percent. This national trend of low birth rates suggests Thailand will be the second country in ASEAN after Singapore to become an ageing society in 2021, with the population over 60 years old representing 20 per cent of the total population.

The country started its modern economic development around the time of the implementation of the first National Economic and Social Development plan in 1958, which initially focused on building national infrastructure and manufacturing for import substitution and for export. Thailand moved from an agricultural economy to greater manufacturing and services levels and became a newly industrialised country (NIC) in 2014. The recent National Economic and Social Development plans have seen growing significance in human and social development with the Sufficiency Economy Philosophy<sup>4</sup> as the overarching framework.

Thailand is now a middle-income country, with GDP at US\$556.90 billion in 2019. The most prominent sector is services, which contribute 61.1 per cent of GDP, followed by industrial sector at 30.9 per cent. The agriculture, forestry and fisheries sector contributes eight per cent of GDP.

There are 38.2 million people in the labour force, with only one per cent unemployed. The distribution of labour among sectors includes services at 50.8 per cent, agriculture, forestry and fisheries at 31 per cent, and industrial sector at 16.8 percent.

Economic and social development policy in Thailand has recently focused on driving the country out of the middle-income trap<sup>5</sup> while closing the inequality gap, which has been widening throughout the development process. The expansion of economic, social and technological hubs to other parts of the country outside Bangkok is one of the key national development strategies.

<sup>3</sup> All statistics in this section are from the National Statistics Office.

<sup>4</sup> Sufficiency Economy Philosophy is a philosophy initiated by His Majesty King Bhumibol Adulyadej (Rama IV). The philosophy focuses on creating balance between economic growth and society through moderation, rationality and immunity to mitigate the effect from changes.

<sup>5</sup> A middle-income trap is commonly defined as a situation in which a country that is successful in lifting its economy from the status of being a least developed or low-income country to a middle-income one but remains at that level without much prospect of becoming an advanced, rich country

### 3.2 History of social enterprise in Thailand

Social enterprise has a long history in Thailand. Co-operatives that most could fit in the social enterprise criteria, have operated in Thailand for over a century. Early entrepreneur-led social enterprises in Thailand date back to the 1970s. Some royal projects focused on employment for ethnic minorities in the remote mountainous areas, which lacked access to public services and heavily involved in illicit crop cultivation.<sup>6</sup> These projects soon developed more commercial business models to ensure their operations' financial sustainability. These include Doi Kham and DoiTung whose operations and brands are still prominent in the current domestic market. Other well-known social enterprises in this period were businesses initiated by the Population and Community Development Association, including Cabbages & Condoms Restaurants and Birds & Bees Hotels. In the late 1990s, more social enterprises were established with renowned enterprises including the Chaophya Abhaibhubejhr Hospital, GreenNet Co-operative and Dairy Home.

Other significant social enterprises have been self-established by grassroots communities. These include co-operatives and community enterprises, which are registered and promoted by the Ministry of Agriculture and Co-operatives. The recognition of these organisations as social enterprises, even among themselves, and also by the regulators and the wider public is minimal, although most would fit the typical criteria of social enterprise.

The most recent wave of social enterprises are those established from 2010 onwards, when the government started to introduce a social enterprise promotion policy. These social enterprises have been acknowledged by the Thai Social Enterprise Office (TSEO) through its publications and media, and later certified by the National Board on Social Enterprise Promotion when the TSEO was closed. The current certifying body for social enterprises is the Office of Social Enterprise Promotion (OSEP).

#### Case study 2: Cabbages & Condoms

Thailand's first social enterprise was established in 1975 by Mr. Mechai Viravaidya together with the Population and Community Development Association (PDA), under the name of the Population and Development Company Limited (PDC). The Cabbages & Condoms restaurant is perhaps best known as a successful social enterprise venture. The PDA is known throughout the international community as having played a major role in bringing down the population growth rate and the number of children down to less than two per family. PDA introduced the world's first community-based distribution of contraceptive to rural Thailand. In addition, it was a major driving force in tackling the spread of HIV/AIDS in the early 1990s which in turn reduced the percentage of infection by 90 per cent through its imaginative condoms campaign, according to the UNAIDS.

In turn, this company initiated the Cabbages & Condoms restaurant, which has become one of the best-known social enterprises in the country. Today there are 17 local Cabbages & Condoms restaurants in Thailand and two in England. In areas of rural Thailand, boutique hotels were also established in conjunction with the restaurants. The PDA and the Population and Development Company Limited (PDC) have established 31 other social enterprises, mostly in rural areas. The majority of these social enterprises have focused on providing goods and services to people with limited economic means in the model called Optimisation of Profit ventures. When properly managed, these ventures can survive financially but cannot accumulate sufficient capital to scale up the impact. In parallel, a second model called

the Maximization of Profit ventures was also established, whereby profit can only be used for reserves, business expansion and charitable activities. No individuals have benefited from these ventures for the last 46 years. The PDA and the PDC are convinced that combining these two models is vital for the long-term sustainability of their endeavours. Some of the profits from the Maximisation of Profit model, including those from the Cabbages & Condoms restaurants, are used to establish or help expand the Optimisation of Profit social enterprises to benefit the less privileged people in rural communities. Examples of entities established to help this group include factory buildings for rent to provide income in rural areas, rain catchment water tanks, small dam construction and micro credit loan funds in villages to help start and expand income-generating activities for the disadvantaged. The latest service to society through the PDA's social enterprises, in particular the Birds & Bees Resort and Cabbages & Condoms restaurant in Pattaya, was the establishment of the Mechai Pattana Boarding School for deserving students from 30 of Thailand's provinces. The school is also known as the Bamboo School, located four hours from Bangkok in Buriram province, Northeast Thailand. Students and parents together pay their school fees in the form of 800 hours of community service per year and planting 800 trees per year, instead of using cash. One major activity of the school is to teach the students about social entrepreneurship, life skills, occupational skills, empathy, and the joy of sharing and giving. The UNFPA has recognised this school as 'One of the world's most innovative schools'.

<sup>6</sup>The Opium Report B.E.2530–2531 (1987–1988) conducted by the Office of Narcotics Control Board reported as high as 11,245 acres of area with opium cultivation, highly concentrated at the Golden Triangle (Mae Hong Son, Chiang Mai and Chiang Rai Province). This figure has been reduced since the introduction of royal projects in the cultivating areas. The most recent report in B.E. 2560–2561 (2017–2018) reported 235 acres of opium cultivating area in Thailand.

### 3.3 Social enterprise policy review

#### 3.3.1 Legislation and policies relevant to social enterprise

During the past ten years, the Government of Thailand has attempted to promote the concept of social enterprise as a new type of business that addresses social and environment concerns.

The first official promotional policy of SEs was the Master Plan for Social Enterprise Promotion B.E. 2553–2557 (2010–2014). In 2011, the Rule of the Office of the Prime Minister on the Promotion of Social Enterprise established the Thai Social Enterprise Promotion Board, chaired by the Prime Minister. In the same year, the TSEO was founded to promote SEs and was planned to be an independent registrar of social enterprises. The office closed in 2016 and the registration process was completed by the Board which registered a total of 103 SEs. Among them, 70 were Pracharath Rak Samakkee (PRS) social enterprises, which were established according to a policy of the then government to engage major conglomerates, civil society organisations, local communities, and academia in the national social and economic development. One PRS SE acts as a central coordination body at the national level and one PRS SE in every province nationwide totalling 76 SEs. Examples of these PRS SEs include Phuket PRS SE which develops local products and connects local communities through trade stores, and Kanchanaburi PRS SE which promotes organic agricultural produce and connects local producers to the provincial hospital.

In May 2019, the Social Enterprises Promotion Act B.E. 2562 (2019) was finally enforced, followed by bylaws and official promotional measures believed to be crucial for social enterprise development. Under this law, three entities were introduced as the main policy mechanisms for the promotion of SEs:

- The Social Enterprise Promotion Committee, responsible for designing policy and plans relating to the promotion of SEs in Thailand and giving recommendations to the Cabinet to improve related regulations.
- The Office of Social Enterprise Promotion (OSEP), which replaced TSEO as the registrar of SEs. At present, there are 141 registered SEs under the new Act.
- The Social Enterprise Promotion Fund, providing loans and grants for the registered SEs.

There are two types of SE registration according to the Act – the profit-sharing type and non-profit-sharing type. The criteria for the former is more restricted, and the tax benefit of waiving corporation tax is only applicable to the latter.

**The Act sets out criteria for registration of SEs as follows:**

1. Be a juristic person under Thai laws. This may be in the form of a limited company, co-operatives, foundations, and so on.
2. Have social purpose, such as promoting employment of disadvantaged groups, or improving a community, society, or environment.
3. No less than 50 per cent of revenue must come from selling products or services (only restricted for the profit-sharing type).
4. No less than 70 per cent of profit must be reinvested for social purposes (only applicable for the profit-sharing type).
5. Have good governance.
6. Have never been revoked from the registration.
7. No composition of over 25 per cent of the partners, board members, authorised representatives of the entity used to be in the revoked entities.

**Registered SEs are entitled to four types of benefits:**

- The right to receive grants or loan from the Social Enterprise Promotion Fund.
- Preferential treatment in government procurement.
- Tax benefit, which is supported by the Royal Decree on the Taxation Code regarding tax exemption No. 621 B.E. 2559 (2016), granted to the SEs that do not share profit with shareholders, and the investors and donors of SEs. Note that the Royal Decree was specifically introduced as an incentive for the private sector to participate in the PRS SEs, before expanding to include all registered SEs under the new Act.
- The Securities & Exchange Commission (SEC) allows registered SEs to raise funds from the public without having to change the legal entity from limited company to public limited company and without applying for the SEC's permission.

The first two benefits are stated in the Act as a framework, meaning the relevant government units can further elaborate these benefits through ministerial-level regulations, which have not been issued yet.

The Act also bans any organisations that are not registered SEs from calling themselves ‘visahakit puea sangkom’, which is the direct translation of the words ‘social enterprise’ in Thai, and using the term to promote their organisations. The prohibition does not extend to the use of any English term or similar terms in Thai such as ‘turakit puea sangkom’ (social business).

### 3.3.2 Government agencies

A very important milestone in the Thai social enterprise ecosystem was the launch of the Government's Social Enterprise Promotion Blueprint 2010–2014, which laid the ground for the establishment of the TSEO in 2011. The office's mission was to raise awareness of social enterprises among the Thai public, promote and improve the capacity of social enterprises, and ensure access to capital and resources for social enterprises. TSEO was able to push for the draft Social Enterprise Promotion Act and encouraged the first wave of around 200 organisations to apply for social enterprise registration before the office was closed in 2016. Political change during that time prolonged the enactment of the Act and the re-establishment of a new office. Many new social enterprises were established during the TSEO era, as seen in the finding from the survey.

During the interim period with no government agency responsible for social enterprises between 2016 to 2018, a

National Board on Social Enterprise Promotion, presided by the Prime Minister (with the Ministry of Social Development and Human Security as the secretariat), was set up. The Board helped pass the Act through the National Assembly as well as registering organisations that had applied for social enterprise status with the TSEO. One-hundred-and-three organisations were registered as social enterprises during this period.

In 2019, the Social Enterprise Promotion Act was finally enacted. To promote social enterprises, the Act allowed for the establishment of three governmental mechanisms – the National Social Enterprise Promotion Committee, the OSEP and the Social Enterprise Promotion Fund. The core of these mechanisms is the OSEP, which is responsible for the registration of social enterprises and the implementation of promotional plans and related measures. As of September 2020, there have been in total 141 organisations registered as social enterprises.

| Agencies  | Main responsibilities  |
|---|--|
| <b>National Social Enterprise Promotion Committee</b>                                     | <ul style="list-style-type: none"> <li>- Design strategy, policy and promotional plan and report to the Cabinet</li> <li>- Approve operational plan proposed by the Office</li> <li>- Recommend to the Cabinet on the improvement of related regulations</li> <li>- Regulate OSEP</li> </ul>   |
| <b>Office of Social Enterprise Promotion</b>  | <ul style="list-style-type: none"> <li>- Register social enterprises</li> <li>- Responsible for the administrative and academic tasks of the Committee</li> <li>- Advise, train and promote social enterprises</li> <li>- Ensure promotional measures for pre-social enterprises</li> <li>- Act as the centre of information and distribution of information on social enterprises</li> <li>- Manage the Social Enterprise Promotion Fund</li> </ul> |
| <b>Social Enterprise Promotion Fund (still needs a by-law to put the Fund into force)</b> | <ul style="list-style-type: none"> <li>- Give loans to registered social enterprises</li> <li>- Provide grants for early-stage enterprises</li> <li>- Assist the supporting agencies in delivering according to the promotional plan</li> </ul>  |



### 3.3.3 List of leading players in the social enterprise ecosystem

| Incubators, accelerators, and support programmes                |   |
|---|---|
| <b>Banpu Champion for Change by Banpu PCL. and ChangeFusion</b> | A social enterprise programme started in 2011 with the aim to promote the development of sustainable businesses by entrepreneurs in Thailand. The nine-month programme targets those who have preliminary insights into their customers and beneficiaries and have already started testing their ideas. The programme provides them with workshop training, coaching as well as funding up to 330,000 Baht to help transform their ideas into viable social businesses. On average, ten social enterprises had been incubated annually, which came from a wide range of impact areas such as agriculture, community development, education, healthcare, etc.  |
| <b>BKIND Mutual Fund</b>  | A mutual fund that invests in Environmental, Social and Corporate Governance listed companies and contributes 40 per cent of its management fee towards grants for impact projects, including those delivered by social enterprises.  |
| <b>National Innovation Agency (NIA)</b>                         | A public organisation that promotes innovation, including social innovation. It provides supports for social enterprises that demonstrate social innovation through various services: <ul style="list-style-type: none"> <li>- medium-sized grants (300,000 Baht each) for social entrepreneurs, youth or local public administrative office to turn ideas into prototypes</li> <li>- large-sized grants (not over 1.5 million Baht each) for social innovation projects</li> <li>- subsidised interest for bank loans for growth-stage enterprises (not over 3 million Baht) that demonstrate social innovation</li> </ul> The NIA also provides in-kind support including social impact assessment and a database of social innovation for interested entrepreneurs to use for replication. |
| <b>School of Changemakers (SOC)</b>                             | An intermediary with initiatives to build support systems for changemakers in Thailand. SOC provides a seven-month incubation programme for changemakers who want to start a social project or enterprise with small seed grants, a coach, tools and access to community. SOC also supports other organisations and universities to build their own social incubation programmes. Besides that, SOC runs a network of universities and schools that adjust their curriculum and extra-curriculum to better nurture the future workforce via changemaking experiences.   |
| <b>SEED</b>   | Direct support for social enterprises: <ul style="list-style-type: none"> <li>- SEED Awards – an acceleration programme organised every two years, offering the winner one-year development support through the SEED enterprise toolkit and grant of around 10,000 euros; and the runners-up with six-month development support, and a 1,500-euro grant.</li> <li>- incubation programmes for starters and replicators</li> </ul> Ecosystem support <ul style="list-style-type: none"> <li>- Business Development Service+ – a training of trainers, offering providers of enterprise support access to toolkits, case studies and further valuable insights into eco-inclusive enterprise success.</li> <li>- Practitioner Labs for Policy Prototyping and Climate Finance</li> </ul>        |
| <b>SE Thailand</b>  | A membership-based organisation that supports SE members through its partnership with corporates in delivering services including <ul style="list-style-type: none"> <li>- capacity building – trainings and workshops</li> <li>- marketplace – space provision for fairs to exhibit and sell SE services and products, special projects such as the Happy Gift 2021 project</li> <li>- capital – special-conditioned loans for SEs</li> </ul>  |
| <b>Snowball Incubation Programme by Rise Impact</b>             | An incubation programme to support seed and early-stage social enterprises to find the right impact and business model that fits with their mission, by offering mentorship, entrepreneur skill building, networking and funding opportunities.   |

| Incubators, accelerators, and support programmes |   |
|--|---|
| <b>Stock Exchange of Thailand (SET)</b>          | <p>SET Social Impact Platform, an exchange that contributes to SE ecosystem platform development.</p> <ul style="list-style-type: none"> <li>- a digital platform that list impact creators (social enterprises) with impact concerning businesses (private sector) to create visibility among the two sides and open opportunities for co-creation and business matching</li> </ul> <p>Capacity building</p> <ul style="list-style-type: none"> <li>- SE 101 – a course for the public interested in social entrepreneurship, offering online and offline and also in partnership with universities under SE101@ University</li> <li>- SE 102 – a course for social entrepreneurs who have ideas to start their projects</li> <li>- SET Social Impact Gym – an acceleration programme with executives of listed companies contributing as coaches; the programme ends with a speech day that matches social enterprises who need support with listed companies</li> </ul>  |
| <b>Taejai.com</b>                                | A crowdfunding social enterprise that connects impact projects to charitable backers and donors. It raised over 150 million Baht through more than 10,000 backers. Many social enterprises have used Taejai to raise fund for their projects, especially in piloting new products and services.   |
| <b>Thai Health Promotion Fund</b>                | A governmental fund that offers grant to preventive health projects.  |
| <b>UNDP</b>                                      | The UNDP is the leading United Nations organisation fighting to end the injustice of poverty, inequality, and climate change. Working with its broad network of experts and partners in 170 countries, it helps nations to build integrated, lasting solutions for people and planet. In Thailand, UNDP seeks to strengthen the social innovation and impact investment ecosystem by working closely with various stakeholders including the government, private sector, and civil society to create the policy and environment conducive to social entrepreneurship. These include, but are not limited to, raising awareness about the concept of sustainability and social entrepreneurship, facilitating communication and collaborative efforts among different actors towards achieving SDGs via entrepreneurial and innovative solutions, developing the social economy at the local level, and exploring innovative financial structures to diversify the resourcing and implementation of the SDGs. Flagship initiatives include Youth Co:Lab, SDG Impact Accelerator programme, Thailand Social Innovation Platform, etc. |
| <b>Win-Win War by C asean</b>                    | A televised reality show competition initiated in 2019. The programme recruits and incubates social entrepreneurs while raising awareness of the social enterprise concept to the public at large. Final round contenders receive tailored business coaching, and the winner receives a grant of 2 million Baht as well as ongoing business advice. The programme is going into its third year, with the aim to expand its audience base to ASEAN countries through online streaming.   |

| Impact investors  |  |
|---|--|
| Impact investment in Thailand is still limited to a small circle of angel investors. Most debt and equity investors focus on financial return and investors focusing all or part of their investment on social or blended return are rare. The list of impact investors in this table are those that explicitly declare that they invest in social enterprises or impact organisations. On another note, there is vibrant investment scene for startups in the country, providing an opportunity to raise awareness for such investors to contribute part of their portfolio for investment on SEs. |  |
| <b>ADB Ventures</b>   | A venture capital fund providing investments and technical assistance to highly scalable technology business that deliver impact according to the SDGs.  |
| <b>ChangeVentures</b>   | An impact consulting and social investment advisory firm that connects impact enterprises to supporters and investors. It also has a small investment arm to invest directly into impact enterprises via equity and short-term loans.  |
| <b>Government Savings Bank (GSB)</b>  | In December 2020, GSB launched a special- loan scheme targeting SEs that want to overcome limited access to debt financing. The preferential conditions include less restrictive criteria on previous business performance, lower interest rate and lower value of collateral required. SEs have most often stated the collateral requirement as an obstacle in securing debt financing from financial institutions. |
| <b>Impact Collective (IC)</b>   | An acceleration programme for impact startups in Asia. IC invests in, supports, and connects startups to accelerate their positive impact. As of September 2020 which was the first year of its operation, 100 impact organisations in Asia were listed on the programme including two SEs from Thailand.  |

| Higher education institutions, research institutes and support organisations |  |
|--|--|
| <b>Aspen Network of Development Entrepreneurs (ANDE)</b>                     | A membership-based organisation that aims to create a thriving entrepreneurial ecosystem for Small and Growing Businesses (SGBs). ANDE network provides support to Entrepreneurs Support Organisations (ESOs) and social enterprises through knowledge sharing events and research under the “Entrepreneurial Ecosystem Snapshots” that provide entrepreneur supporters with an overview of the ecosystem, its gaps and opportunities which help supporters to better design and implement their programmes.   |
| <b>Bangkok University (Bangkok) (BUSEM)</b>                                  | The School of Entrepreneurship and Management offers both bachelor’s and master’s degrees in entrepreneurship, with social entrepreneurship as one of the core modules. The School admits around 350 students and 50 students per year for the bachelor’s and master’s degrees respectively. BUSEM is preparing all the entrepreneurial students to have actual practices in the real business environment.  |
| <b>British Council</b>   | <p>British Council promotes the development of social enterprise as a means of addressing entrenched social and environmental problems and delivering positive change to our communities and societies. The British Council’s work draws on UK and global experience and is delivered across more than 30 countries with local and international partners. Together, we:</p> <ul style="list-style-type: none"> <li>- provide social entrepreneurs with access to training, mentoring and funding opportunities</li> <li>- promote social enterprise education in schools and universities</li> <li>- convene policy dialogues, conduct research and organise study tours to share knowledge and best practice in creating an enabling environment for social enterprise</li> <li>- deliver international development actions that focus on social enterprise</li> </ul> <p>It is a systemic approach designed to help foster a more sustainable, inclusive and prosperous future and build collaboration, opportunities and trust between the UK and other countries.</p> |



|  |  |
|--|--|
| <b>Payap University (Chiang Mai)</b>   | <p>Bachelor of Social Entrepreneurship, Faculty of Humanities and Social Sciences</p> <ul style="list-style-type: none"> <li>- Newly created course in the academic year 2019–2020, with three students in the first batch. There are currently 15 applications for 2020–2021.</li> </ul> <p>Centre for Social Impact (CSI)</p> <ul style="list-style-type: none"> <li>- The Centre was established in 2019, bringing expertise from cross-faculties and acting as a hub for social entrepreneurship in Chiang Mai.</li> <li>- The CSI mission is to provide advocacy, training, consulting, information resources and academic services for policymakers, practitioners, funders, and the academic community in Thailand and the wider ASEAN community, on a sustainable social enterprise model of self-sufficiency. With this, CSI's goal is to create positive transformational social impact for the communities it serves.</li> <li>- In 2020, CSI implemented projects in Sustainable Tourism, Social Entrepreneurship, Community Organisational Development, Education Internationalisation and Green Entrepreneurship, working with partners across 16 countries in Asia and Europe.</li> </ul>   |
| <b>Srinakharinwirot University, Faculty of Business Administration for Society (Bangkok)</b> | <p>Established in 2018, the Faculty was leveraged from the Business Administration Department, Faculty of Social Sciences. The courses it offers include</p> <ul style="list-style-type: none"> <li>- Bachelor of Business Administration programme in Social Enterprise – a four-year course of which the core module includes accounting, marketing, administration, economics, commercial law, social enterprise, social-enterprise-oriented research and social innovation. The course also incorporates a compulsory internship and business project. The first batch of 41 students has grown to around 130 in the second year.</li> <li>- Master's degree – there isn't a specific programme on social entrepreneurship, but social enterprise as a subject is provided for students.</li> <li>- Social Entrepreneurship Programme – a short course for the public (48 hours in one month).</li> </ul>  |
| <b>TDRI</b>  | <p>A public policy research institute that provides technical analysis to various public agencies. The aim is to help formulate policies to support long-term economic and social development in Thailand. TDRI has conducted several studies regarding SE ecosystem including two projects commissioned by the Thai Health Promotion Foundation, namely:</p> <ul style="list-style-type: none"> <li>- Social investment for sustainable development in Thailand</li> <li>- Knowledge management and academic support plan for vulnerable population</li> </ul>  |
| <b>Thammasat University, The School of Global Studies</b>                                    | <p>The School of Global Studies offers a Bachelor of Arts in Global Studies and Social Entrepreneurship. It is a four-year degree with an innovative structure that lays the foundation on local development and globalisation during the first two years. The third year focuses on managing social innovation and social enterprises, followed by the senior project in the last year.</p> <p>The School also offers a Master of Arts in Social Innovation and Sustainability. The programme has the mission of developing a vibrant community of practitioners and researchers in Southeast Asia with the knowledge, mindset and skills to tackle the region's most pressing Sustainable Development Goal challenges. Through a dynamically designed programme, students learn to identify, research and understand global and regional social, economic and environmental challenges. They develop skills in design thinking and other research methods to understand problems and create solutions aligned with the local social and cultural context. Students gain skills in working with a diverse range of stakeholders and measuring the social and environmental impact of innovations, plus organisational activities to understand how to manage organisations sustainably.</p> |

**Thammasat University,  
Puey Ungphakorn School  
of Development Studies  
(Pathumthani)**

The School offers three degrees:

- Bachelor of Arts Programme in Creative Development – a four-year degree comprising of three modules: contemporary community development, volunteer work management; corporate social responsibility, and social enterprise development. For the social enterprise development module, the subjects concentrate on all skills needed to run a social enterprise such as business model, social finance and social impact assessment. The degree began in 2016 and there were 91 graduates from the first batch in 2020. There are currently around 300 students studying for this degree.
- Graduate Diploma (Graduate Volunteer) – a one-year programme comprising three months in classroom lectures, seven months in field practice in community work and two months for a special report.
- Masters of Arts Programme in Creative Development – this was previously the Masters of Arts in Rural Studies, with added subjects such as social innovation, social impact assessment in response to the change in rural economic and social landscape.

### Case study 3: Ricult

Ricult is a social enterprise, that develops AI/technology/financial-based digital solutions for the agricultural ecosystem, focusing on smallholder farmers in developing countries. Its vision is to be the preferred digital financial solution for farmers to help them work their way out of poverty. Ricult has developed an all-in-one application that tackles almost all farmers' pain points, including low yield, difficult access to finance and market. Its technology in machine learning and satellite imagery helps farmers to make the right decision at the right time, such as time to start planting each crop given the prediction of rainfall in that particular year. This technology has become even more relevant due to the climate change where farmers can no longer rely on their traditional knowledge of the climate pattern.

Its design of a business model ensures that the farmers, who are its direct beneficiaries, get the most out of it by using this application for free. As one-third of the population in Thailand is employed or self-employed in the agricultural sector, the impact is huge. Ricult has acquired over 250,000 users within less than two years, and the number is growing at a rate of 1,000 a day.

Information collected from these farmers is used by Ricult's customers such as banks, food processing and agribusinesses to make more informed decisions about yield forecasts, risk profiling, credit scoring, extreme weather, flood assessment and customer acquisition leading to improved operational efficiencies. The prospect of this is raising the bar in the agricultural sector through creating commercial value to all stakeholders. The recent function of the Ricult application is to help link the farmers to the market.



### 3.4 Existing research on social enterprise in Thailand

In the past decade, the concept of social enterprise has received some attention among academics. But beyond the Master Plan of Social Enterprise Promotion B.E. 2553–2557 (2010–2014) published by TSEO in 2011, there is limited material that looks at SEs at the broad national level in Thailand.

Beyond this, research papers on SEs in Thailand largely adopt qualitative tools to gather information, through in-depth interviews, focus groups, observation, and document review. Research questions tend to have a specific focus, e.g. being sector-specific or area-based, and aim to find factors that can help SEs to grow. For example, the Department of Older Persons and Thaipat Institute (2016) reviewed how to apply the concept of social enterprise and corporate social responsibility to promote businesses that benefit the elderly in Thailand. Yet some research does take a broad view, including:

- **Siripatsopon (2015)** studied how social enterprises in Thailand might be further developed, and proposed tax incentives and laws to promote SEs.
- **Parinyasutinun (2017)** reviewed how to apply the concept of social enterprise to a community enterprise and found that sources of funding and concrete promotional policies are necessary to facilitate the transformation of community enterprise into SE.
- **Piroonjinda (2016)** looked into legal problems when registering SEs under the form of a limited company, and found that the ambiguous definition of social purpose, minority shareholder rights protection, duties and liabilities of directors, and stakeholders' rights may emerge as legal problems.
- **Doherty and Kittipanya-ngam (2020)** investigated the development of the social enterprise in Thailand, from the emergence of the non-profit sector in the 1970s to the new country type Social Enterprise Semi Strategic Diverse model form. The study pinpointed the key institutions, networks, cognitive framings and policy initiatives of social enterprise emergence and development in Thailand.

Overall, there is a lack of any quantitative studies of SEs in Thailand, especially ones that are conducted at a national level. This study aims to help fills this gap in the literature.





## 4

# Survey findings

## 4.1 General information

### 4.1.1 Overall objectives

Social enterprises in Thailand have diverse objectives, while most SEs aim to sell products or services as their overall objective. Table 4.1 shows that the overall objectives of the SEs surveyed in this study are to sell products or services (21.2 per cent), to improve a community (13.7 per cent), to protect the environment (12.3 per cent), and to promote education (11.6 per cent). The other aims vary but are all ultimately about making a positive impact on society and the environment.

In terms of gaps, our survey did not include any social enterprises that reported their main objective as to promote equality for diverse gender and sexual orientation minorities, and only one SE has women's empowerment as a primary objective. However, women of course may still benefit from the work of SEs, as explored later.

**Table 4.1** Overall objectives of social enterprises in Thailand

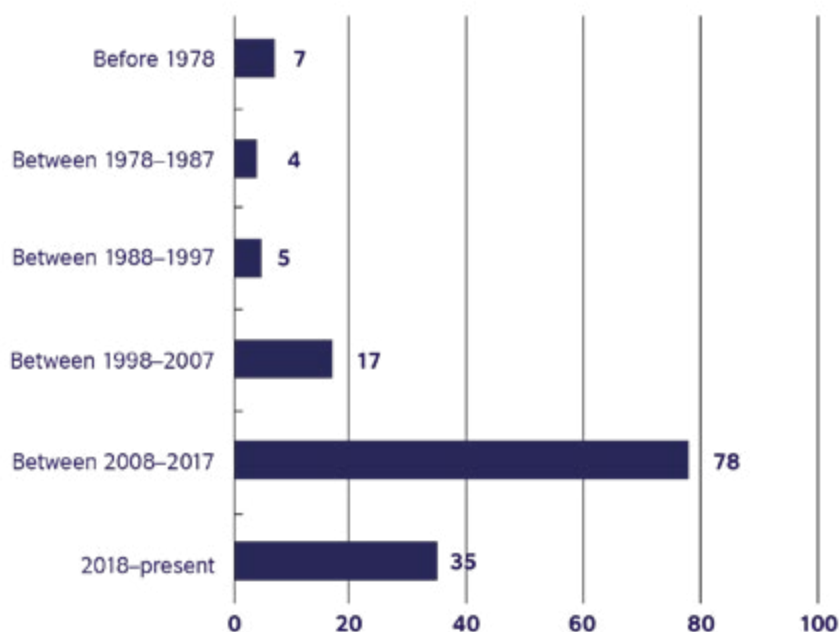
| Overall objectives                             | No. of respondents | %           |
|--|--------------------|-------------|
| <b>Sell a product or service</b>               | <b>31</b>          | <b>21.2</b> |
| <b>Improve a particular community</b>          | <b>20</b>          | <b>13.7</b> |
| <b>Protect the environment</b>                 | <b>18</b>          | <b>12.3</b> |
| Promote education and literacy                 | 17                 | 11.6        |
| Improve health and well-being                  | 11                 | 7.5         |
| Support other social enterprises/organisations | 6                  | 4.1         |
| Create more inclusive employment opportunities | 5                  | 3.4         |
| Support vulnerable people                      | 5                  | 3.4         |
| Preserve local wisdom and culture              | 3                  | 2.1         |
| Create sustainable cities                      | 4                  | 2.7         |
| Address financial exclusion                    | 2                  | 1.4         |
| Promote welfare among children and youth       | 2                  | 1.4         |
| Empower women                                  | 1                  | 0.7         |
| Disaster relief                                | 1                  | 0.7         |
| Advocate equality for LGBTQ+                   | 0                  | 0.0         |
| Others   | 20                 | 13.7        |
| <b>Total</b>                                   | <b>146</b>         | <b>100</b>  |

#### 4.1.2 Year of establishment

**Social enterprises in Thailand are often young.** The majority (53 per cent) of SEs surveyed in this study were established between 2008 and 2017 (B.E. 2551–2560), as shown in Figures 4.1.

This corresponds with the period of time when the government started promoting the concept of SE in Thailand. However, this may also reflect digital readiness as these relatively young SEs may be more likely to access the online survey (see below for more on the ages of leaders of social enterprises).

**Figure 4.1** Number and percentage of social enterprises in Thailand by year of establishment

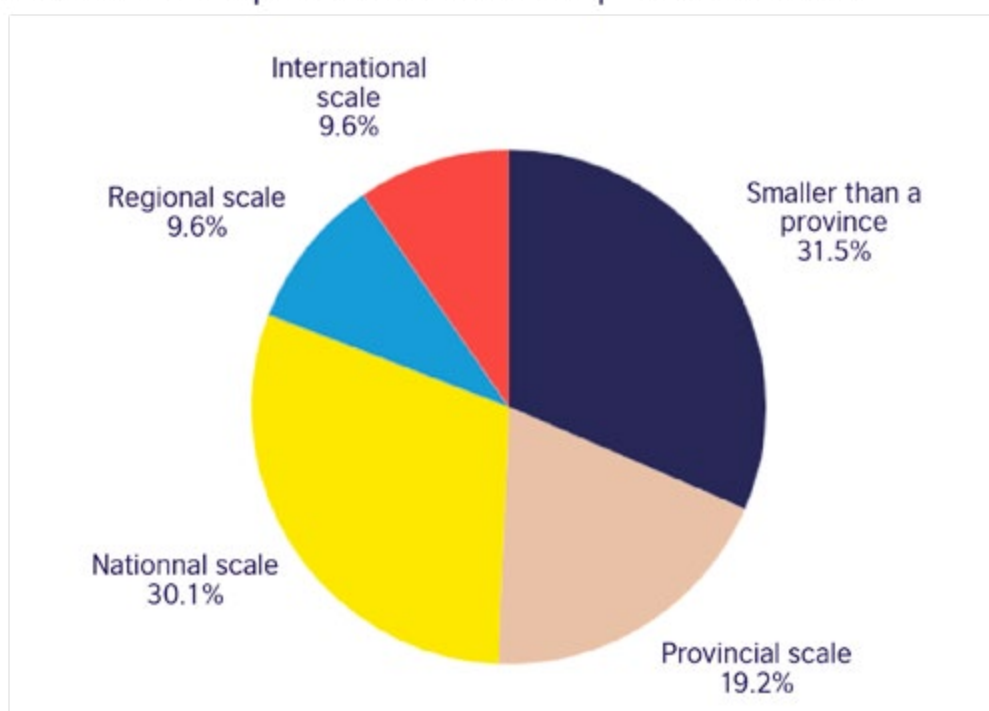


#### 4.1.3 Scale of operation

**Social enterprises in Thailand work across a range of scales.** Figures 4.2 shows that there are 46 SEs (31.5 per cent) operating on a smaller than provincial level, which includes district, sub-district, and village levels.

Around 30 per cent of SEs are operating at a national scale (44 respondents) and 19.2 per cent at a provincial level (28 respondents).

**Figure 4.2** Scale of operation of social enterprises in Thailand



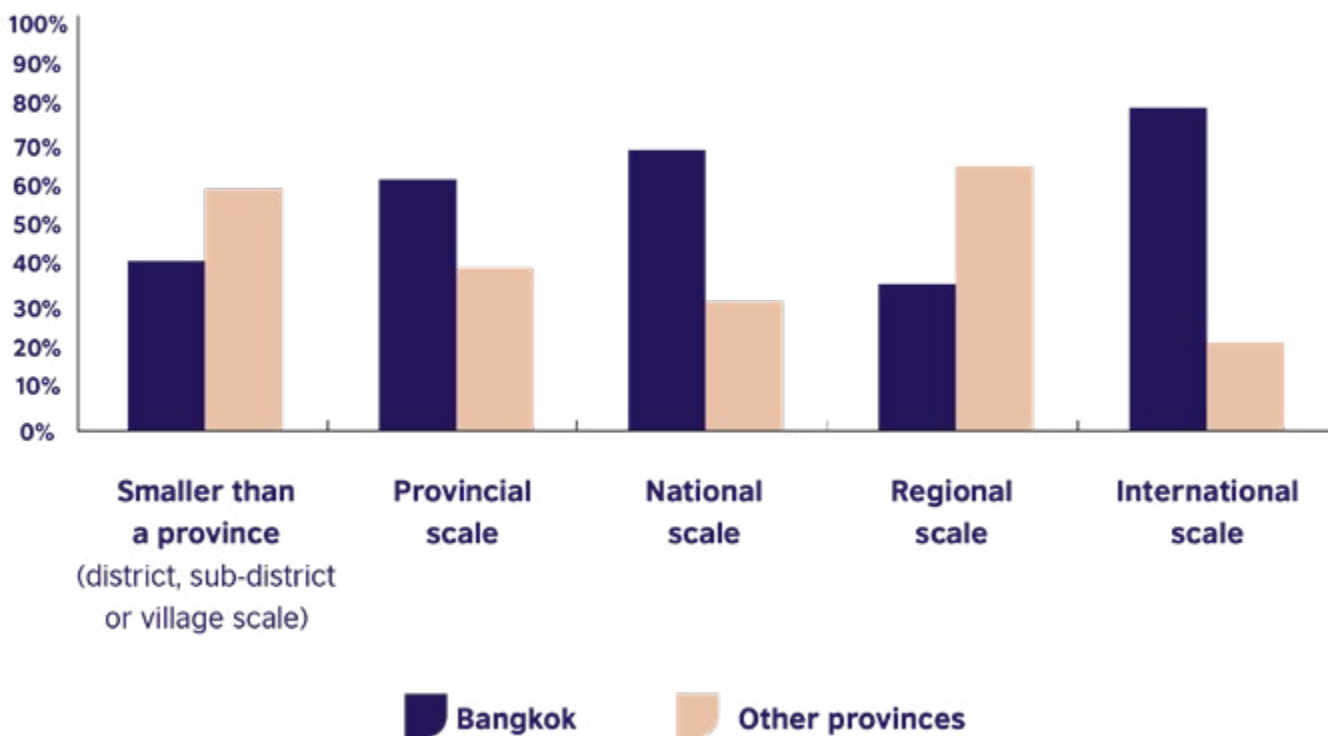
#### 4.1.4 Location

**Social enterprises in Thailand are most likely to be based in Bangkok.** The head offices of most SEs surveyed in this study are situated in Bangkok (82 respondents, 56.2 per cent). The remaining 64 reported that their head office was in various other provinces such as Chiang Mai (11), Patum Thani (five), and Nakhon Ratchasima (four). This finding is in contrast to the assessment made by TSEO that the majority of social enterprises SEs in Thailand are based

outside of Bangkok (98.4 per cent), which may partly be a result of bias in our survey as accessibility to an online survey is likely to differ between Bangkok and the other provinces.

Figure 4.3 shows social enterprises in Bangkok and other provinces, classified by scale of operation. SEs outside Bangkok tend to operate at a smaller scale, while SEs that have international operations tend to be located in Bangkok, as might be expected.

**Figure 4.3** Ratio of social enterprises in Bangkok and other provinces, by scale of operation





## 4.2 Operation

### 4.2.1 Sector

Social enterprises in Thailand largely operate within diverse industries, with the three most frequent as agricultural, fisheries, livestock (15.8 per cent), education (12.3 per cent), and health (11.6 per cent), as shown in Table 4.2.

**Table 4.2** Sectors in which social enterprises in Thailand are operating

| Sector  | No. of respondents | %           |
|---|--------------------|-------------|
| <b>Agriculture, animal husbandry, fisheries</b>   | <b>23</b>          | <b>15.8</b> |
| <b>Education</b>  | <b>18</b>          | <b>12.3</b> |
| <b>Health and social care</b>   | <b>17</b>          | <b>11.6</b> |
| Arts and craft  | 15                 | 10.3        |
| Energy, clean technology and environment  | 13                 | 8.9         |
| Tourism   | 8                  | 5.5         |
| Food and nutrition  | 7                  | 4.8         |
| Business development services and entrepreneurship support (including to charities and NGOs, including service for business or organisation purpose, such as advertising, graphic design, etc.) | 6                  | 4.1         |
| Livelihood and employment creation  | 4                  | 2.7         |
| Financial services (P2P Lending, crowdfunding, micro finance, etc.)   | 3                  | 2.1         |
| Services (ICT or any other service for personal purpose)  | 2                  | 1.4         |
| Movies, music, video and photography, publication, and gaming   | 2                  | 1.4         |
| Architecture and interior design  | 2                  | 1.4         |
| Mobility and transport  | 1                  | 0.7         |
| Fashion   | 1                  | 0.7         |
| Performing arts   | 1                  | 0.7         |
| Others  | 19                 | 13.0        |
| No answer   | 4                  | 2.7         |
| <b>Total/average</b>  | <b>146</b>         | <b>100</b>  |

Figure 4.4 shows the top five sectors in which social enterprises are operating, classified by location. SEs in the agricultural, fisheries, and livestock sector are largely operating outside of Bangkok (69.6 per cent), while the majority of SEs in the energy and environment sector are in Bangkok.

**Figure 4.4** Top five sectors in which social enterprises are operating, classified by location

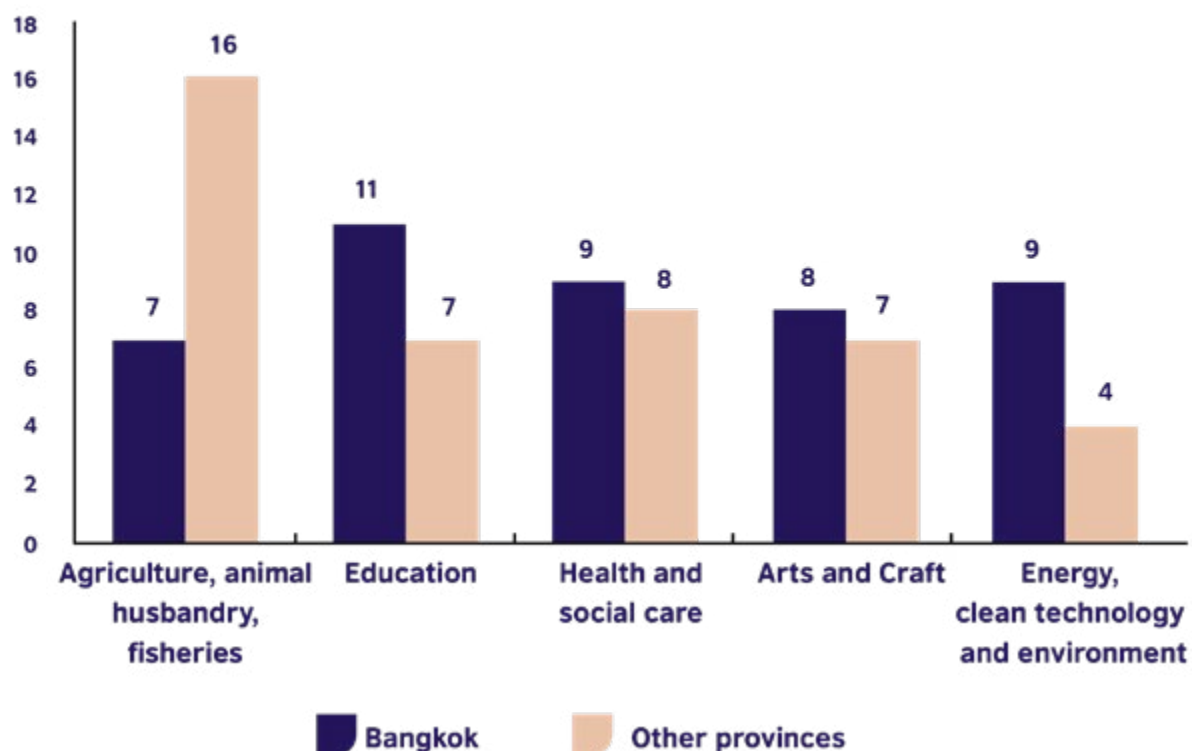
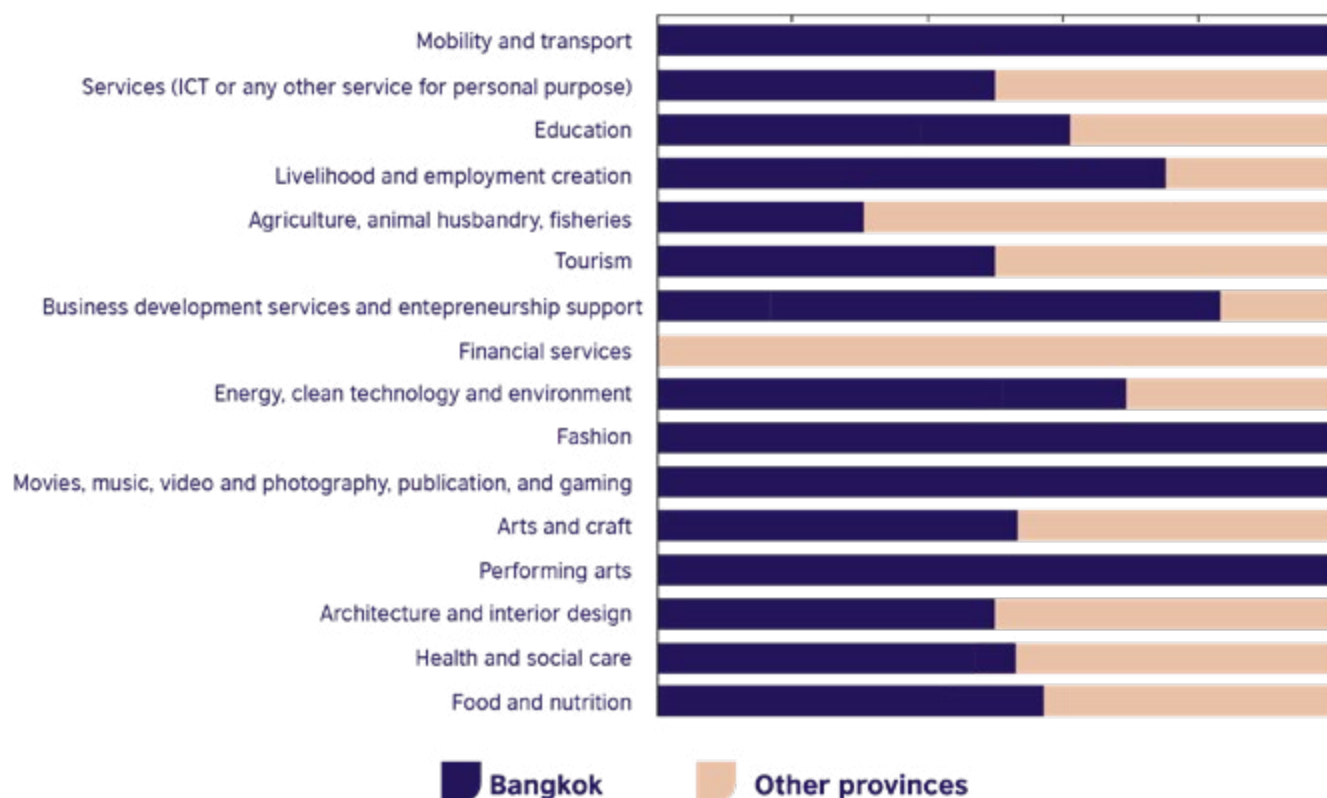


Figure 4.5 shows that SEs working in mobility and transport, fashion, and various types of entertainment businesses such as movie, music, and performing arts also tend to be based in Bangkok.

**Figure 4.5** Sector and location of social enterprises



#### 4.2.2 Legal entity

Social enterprises in Thailand take various legal forms. **The majority of SEs surveyed in this study are registered in the form of a limited company** (91 respondents, or 62.3 per cent of the total).

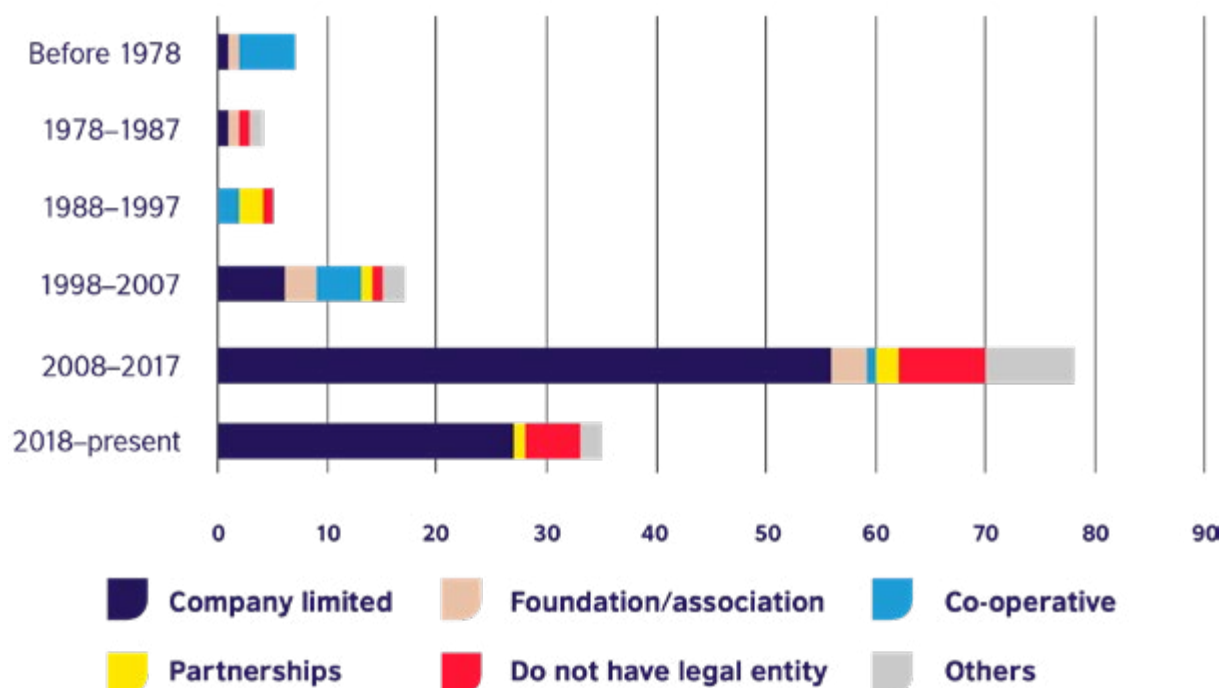
The rest are co-operatives (8.2 per cent), Foundations/associations (5.5 per cent) and partnerships (4.1 per cent). Fifteen respondents (10.3 per cent) reported that they have yet to formally register (see Table 4.3).

**Table 4.3** Legal entities of social enterprises in Thailand

| Type of legal entity     | No. of respondents | %          |
|--------------------------|--------------------|------------|
| Limited company          | 91                 | 62.3       |
| Do not have legal entity | 15                 | 10.3       |
| Co-operative             | 12                 | 8.2        |
| Foundation/association   | 8                  | 5.5        |
| Partnerships             | 6                  | 4.1        |
| Community enterprise     | 5                  | 3.4        |
| Public company limited   | 1                  | 0.7        |
| Others                   | 8                  | 5.5        |
| <b>Total/average</b>     | <b>146</b>         | <b>100</b> |

Figure 4.6 shows that the majority of SEs in Thailand, especially the relatively younger ones, are registered in the form of a limited company. Social enterprises that are registered as co-operatives tend to be established longer, for example prior to 2008. Social enterprises that have not registered as a legal entity can be seen in almost all ranges of years, but most of them have started within the past decade.

**Figure 4.6** Number of social enterprises in Thailand by year of establishment and type of legal entity registration

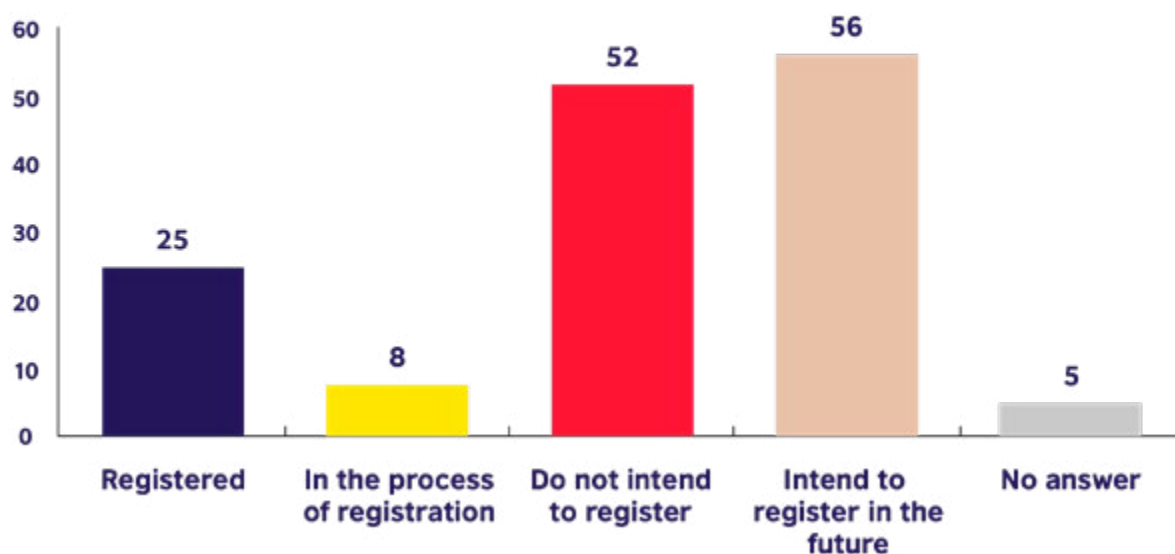


### 4.2.3 Registered social enterprises

There are 25 social enterprises (17 per cent of our sample) registered under the Social Enterprise Promotion Act B.E. 2562 (2019) which participated in this survey (see Figure 4.7). For those which have not registered, when asked if they would register as SEs under the law in the future, 56 respondents reported that they had plans to do so, while a similar number (52) said they would not. Among those with plans to become registered SEs, 37.5 per cent plan to register within one year (see Figure 4.8).

The reluctance of many social enterprises to formally register as such may be explained by the legal requirements for registration. Some benefits for registered SEs are yet to be clarified, such as the preferential treatment in government procurement as well as access to loans or grants from the Social Enterprise Promotion Fund.

**Figure 4.7** Number of registered social enterprises



**Figure 4.8** Plan to register as social enterprises

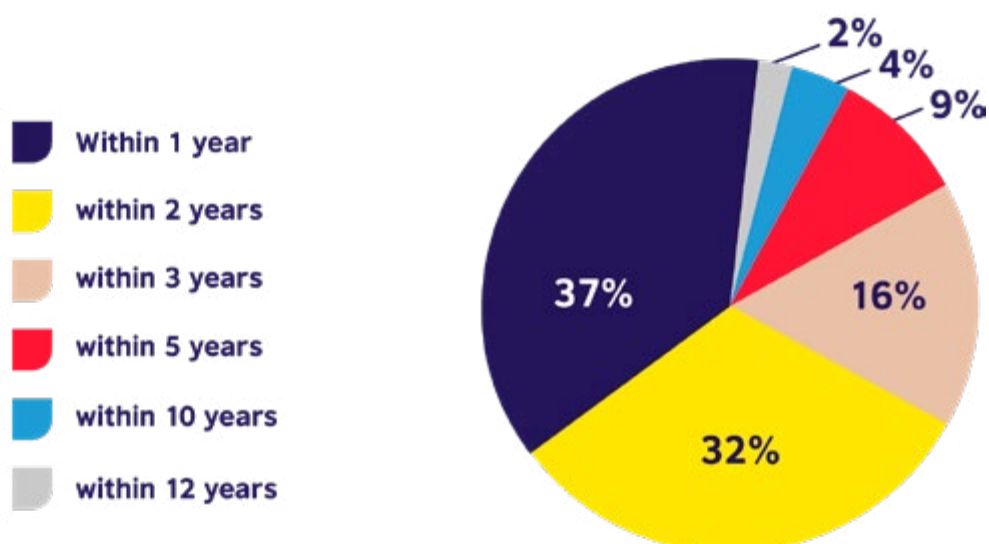
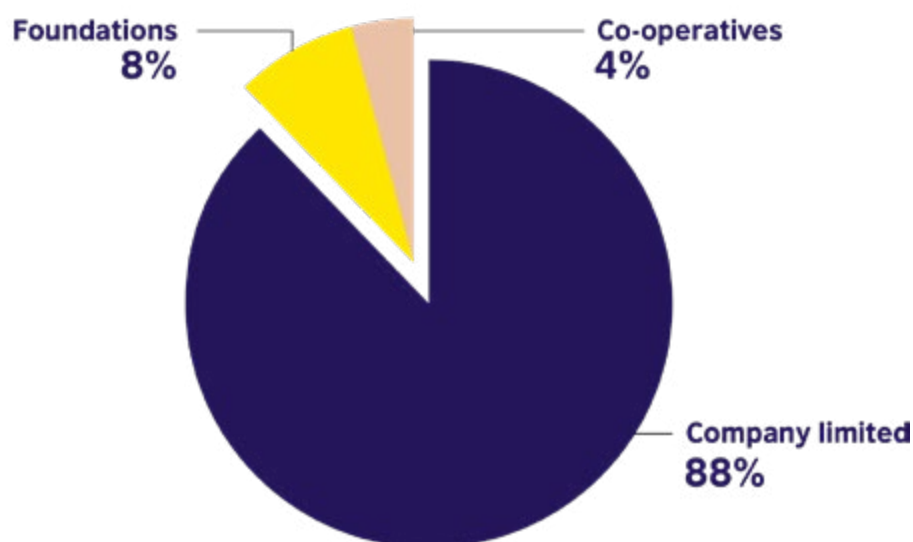




Figure 4.9 shows that **the majority of registered SEs take the form of limited companies, followed by foundations and co-operatives**. The fact that some foundations and associations, which are traditionally viewed as non-commercial or philanthropic organisations, have successfully registered as SEs, is noteworthy, not least as one of the criteria for registering is that these enterprises must earn no less than half of their income from selling products and/or services.

**Figure 4.9** Registered social enterprises by legal entity



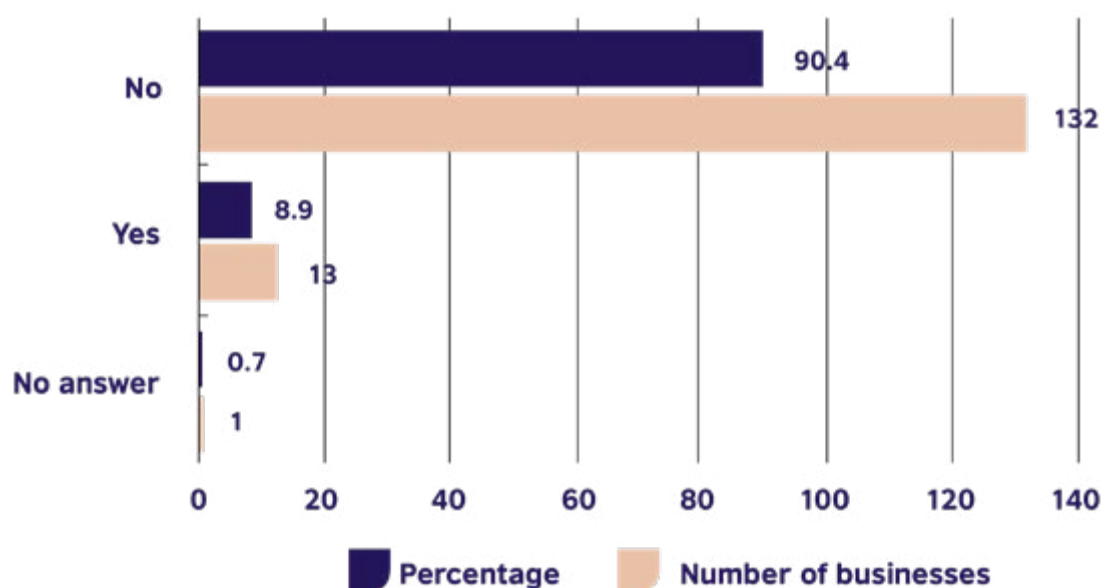
Approximately 30 per cent of registered social enterprises operate in the health and social care sector and receive support, both financial and non-financial, from the Thai Health Promotion Foundation, a public statutory body with funding from an earmarked excise tax on tobacco and alcohol.

The Thai Health Promotion Foundation has been empowering networks of social service providers in health and well-being promotion through grants and skill development over recent years, demonstrating the importance of financial and non-financial support for SE development in Thailand.

#### 4.2.4 Subsidiaries

**Most SEs in Thailand are not subsidiaries of other organisations.** This study finds that 90.41 per cent (132 organizations) are not a subsidiary of other companies. Yet 8.90 per cent (13 respondents) reported that they were a subsidiary, of which 46.15 per cent (6 respondents) were subsidiaries of private companies (see Figure 4.10).

**Figure 4.10** Is your organisation a subsidiary of another organisation?



### 4.3 Personnel

Our survey explored the staff and leadership of social enterprises in Thailand.

#### 4.3.1 Gender of CEO/MD

**Social enterprises in Thailand are more often led by women than businesses more widely.** Our survey shows that 59.6 per cent of CEOs or MDs leading the surveyed SEs are men – see Figure 4.11, while women lead more than one-third of social enterprises in Thailand (34.9 per cent). Social enterprises registered under the Social Enterprise Promotion Act B.E. 2562 also have a similar ratio, with 36 per cent led by women.

This is around 50 per cent higher than the ratio of women in leadership positions in Thailand more widely. According to the Women in Business Report 2020 (Grant Thornton Services, 2020), 24 per cent of the business leaders in Thailand are women. On the global and Asia-Pacific level, women leadership is 20 per cent and 13 per cent respectively.

**Figure 4.11** Gender of CEO/MD

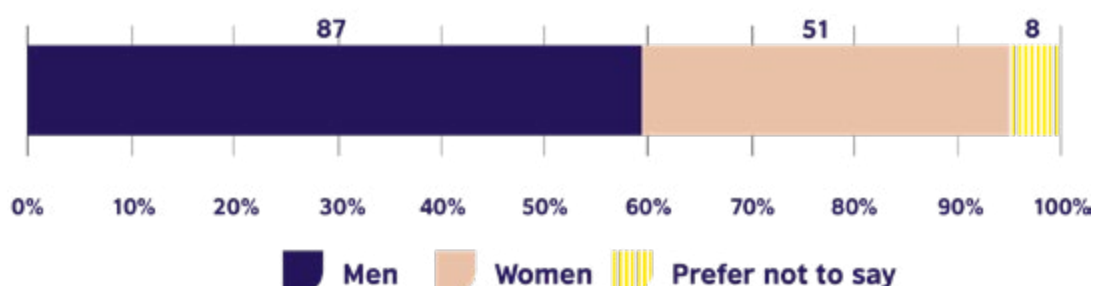
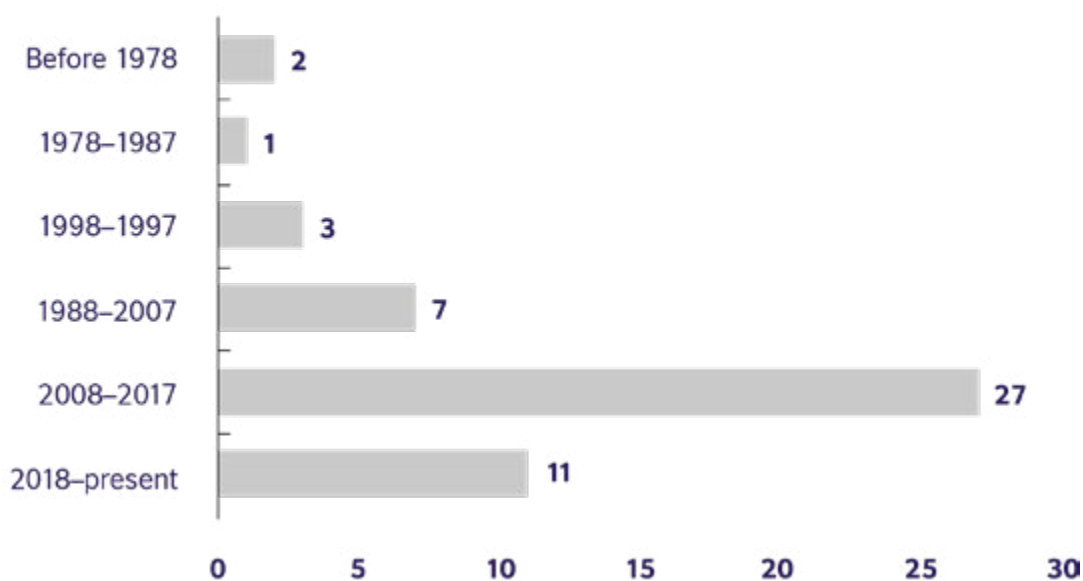


Figure 4.12 shows that three quarters of the SEs led by women started operations within the past decade.

**Figure 4.12** Number of social enterprises led by women, by year of establishment



If we classify SEs by number of employees, the majority of social enterprises led by women (78 per cent) tend to be small, with fewer than ten workers (as shown in Figure 4.13).

**Figure 4.13** Social enterprises led by women, by size of employment

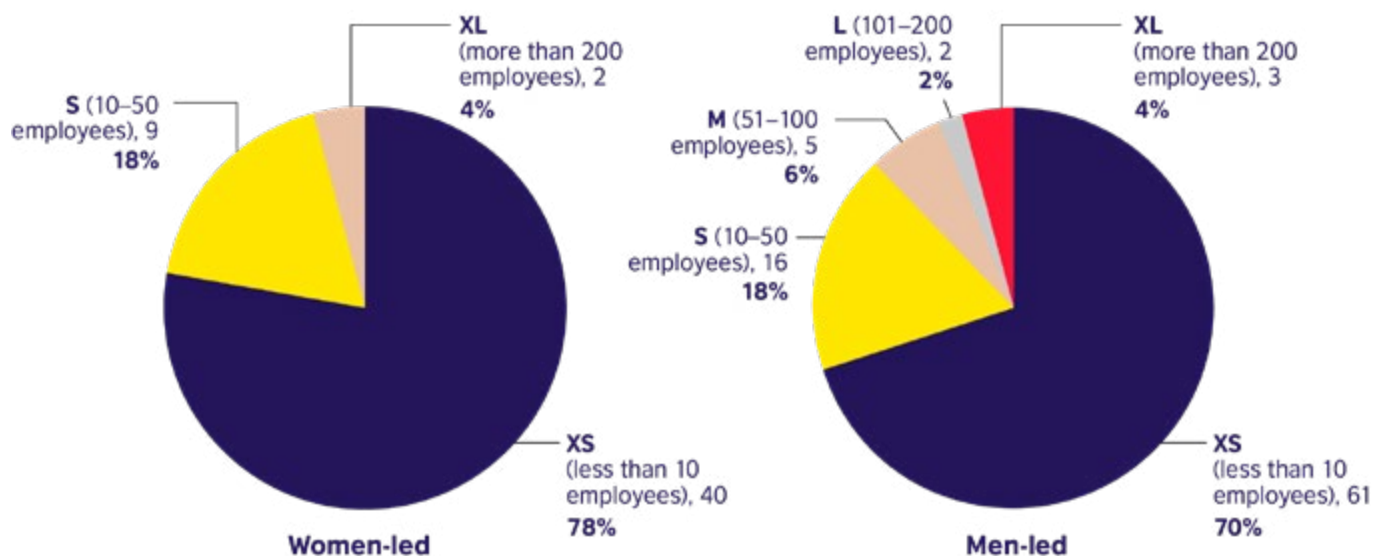
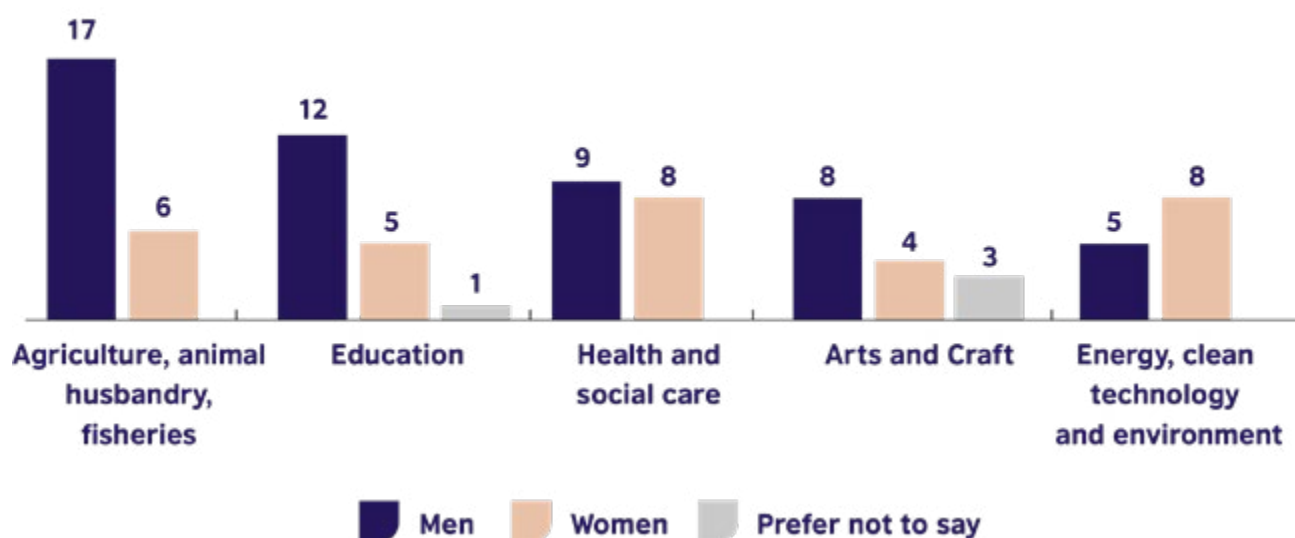


Figure 4.14 shows the top five sectors in which social enterprises are operating and leadership by gender. SEs in the energy and environment sector, often viewed as male-dominated, are largely led by women. In terms of legal form, social enterprises with women CEOs or MDs tend to be more likely to register as community enterprises.

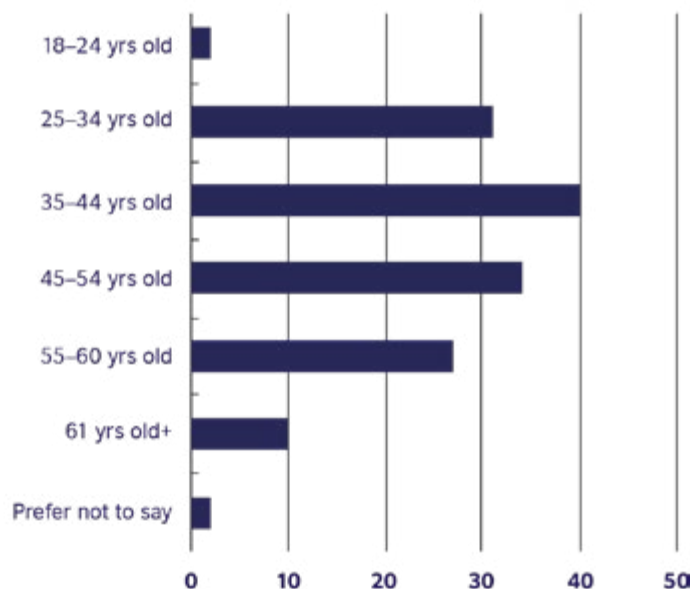
**Figure 4.14** Top five sectors of social enterprises by gender



### 4.3.2 Leadership age

**People of all ages lead social enterprises in Thailand.** 27.4 per cent of the CEOs and MDs leading the social enterprises in our survey are between 35 and 44 (40 respondents). The second most common age range is 45 to 54 (23.3 per cent), followed by 25 to 34 (21.2 per cent), as shown in Figures 4.15.

**Figure 4.15** Age of CEO/MD



In terms of business registration, the few respondents with leaders between 18 and 24 years old did not have a formal legal entity. Those led by people aged 25 to 34 years old were mostly registered as limited companies. Those led by CEOs or MDs aged 60 and over were often co-operatives (see Table 4.4).

**Table 4.4** Patterns of business registration for each age group:

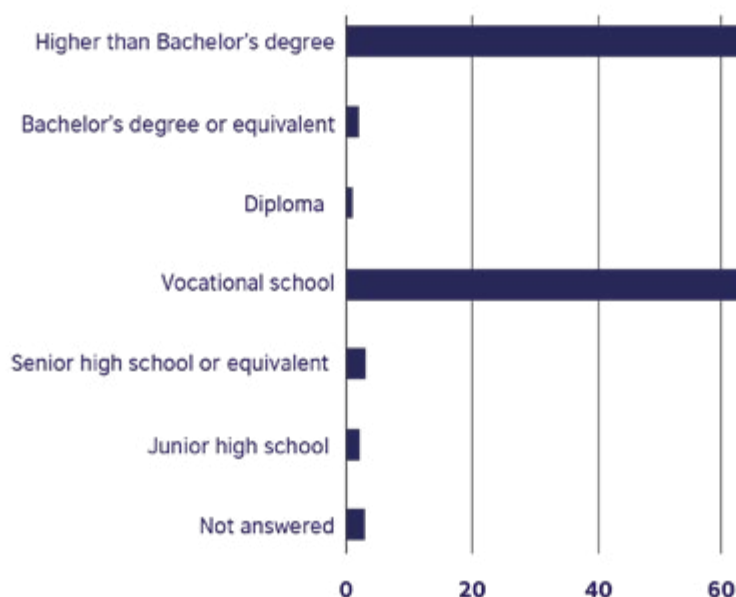
|  |   |
|--|---|
| 18–24 years old<br>= 100% not legally registered | 55–60 years old<br>= 44.4% limited company  |
| 25–34 years old<br>= 74.2% limited company       | 61 years old or above<br>= 40% co-operative |
| 35–44 years old<br>= 77.5% limited company       | Prefer not to say<br>= 100% limited company |
| 45–54 years old<br>= 58.8% limited company       |   |



#### 4.3.3 Level of education of CEO/MD

**Most social enterprise leaders in Thailand are well educated.** Figure 4.16 shows that around half (49.3 per cent) of the surveyed SEs have a CEO or MD with an education level higher than a bachelor's degree (72 respondents).

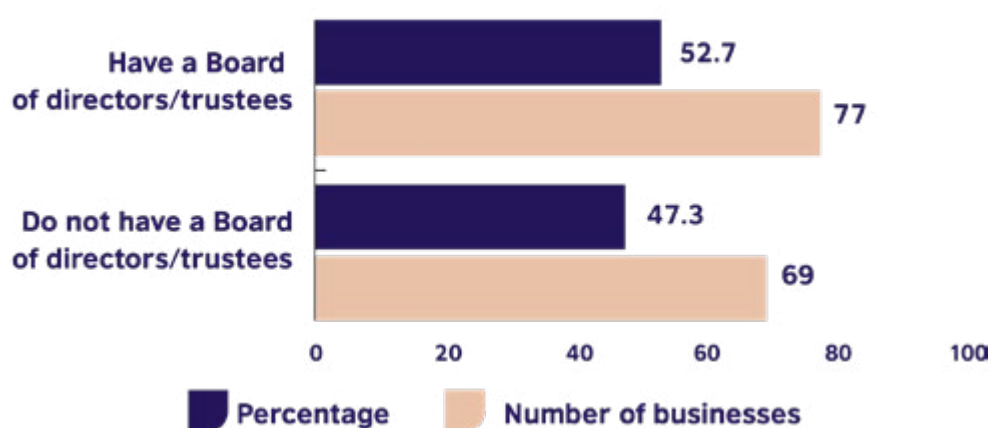
**Figure 4.16** Highest level of education of leaders/organisational administrators



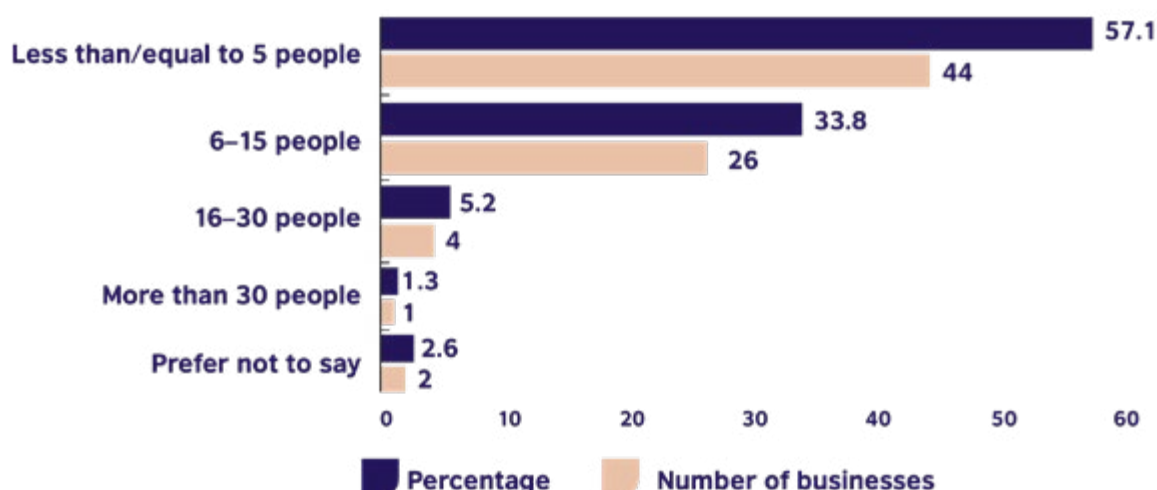
#### 4.3.4 Board of directors/trustees

**Most social enterprises in Thailand are overseen by a Board of directors.** The majority of surveyed SEs (52.7 per cent) report that they adopt a management model of a Board of directors, while nearly half of respondents (47.3 per cent) said that they did not operate under a Board of directors (see Figure 4.17).

**Figure 4.17** Management model



The Boards of social enterprises in Thailand often comprise very few individuals. In this study, over half of those with a Board (57.1 per cent) reported that their Board of directors includes fewer than five people. Around a third of respondents (33.8 per cent) reported they have between six and 15 Board members (see Figure 4.18).

**Figure 4.18** Number of members on a Board of directors

#### 4.3.5 Employment

This section explores employment in social enterprises, including full-time employment, part-time employment, employment of women, and employment of specific groups.

##### A) Full-time employment

Social enterprises in Thailand are creating jobs and taking on more full-time staff. SEs in our survey created at least 6,913 full-time jobs in 2018 and 7,144 jobs in 2019. Among our respondents, there are three SEs employing more than 1,500 full-time staff. After removing them, we find that the average number of full-time staff rose from 14 people per SE in 2018 to 16 people in 2019.

##### Part-time employment

Similar to full-time employment, part-time employment among social enterprises in Thailand also increased between 2018 and 2019. Table 4.5 shows that the average number of part-time staff employed by SEs also rose from eight people per SE in 2018 to ten people per SE in 2019, or from four people to six people, after removing two outliers.

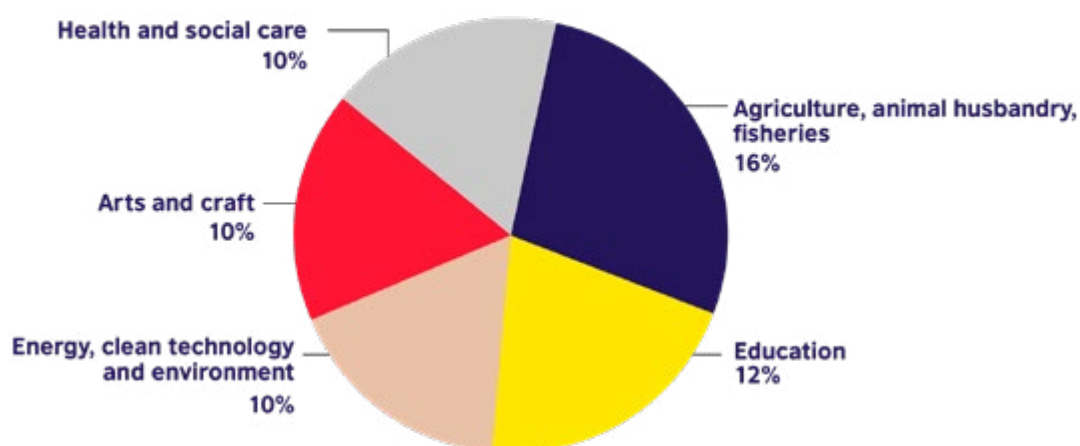
**Table 4.5** Summary of social enterprise employed personnel

| Full-time employment (removing three outliers)                        | Total no. of employees | Average no. per SE |
|---|------------------------|--------------------|
| Total number of full-time employees as of 31st December 2019          | 7,144 (2,258)          | 49 (16)            |
| Number of female employees as of 31st December 2019                   | 3,277 (1,318)          | 22 (9)             |
| Proportion of full-time employees to total full-time employees        | 45.9% (58.4%)          |                    |
| Total number of full-time employees as of 31st December 2018          | 6,913 (2,030)          | 47 (14)            |
| Number of female employees as of 31st December 2018                   | 3,136 (1,215)          | 21 (9)             |
| Proportion of full-time female employees to total full-time employees | 45.4 (59.85%)          |                    |
| Part-time employment (removing two outliers)                          | Total no. of employees | Average no. per SE |
| Total number of part-time employees as of 31st December 2019          | 1,394 (807)            | 10 (6)             |
| Number of female employees as of 31st December 2019                   | 1,002 (548)            | 7 (4)              |
| Proportion of part-time female employees to total part-time employees | 71.9% (67.9%)          |                    |
| Total number of part-time employees as of 31st December 2018          | 1,195 (599)            | 8 (4)              |
| Number of female employees as of 31st December 2018                   | 827 (424)              | 6 (3)              |
| Proportion of part-time female employees to total part-time employees | 69.2 (70.8)            |                    |

### B) Employment of women

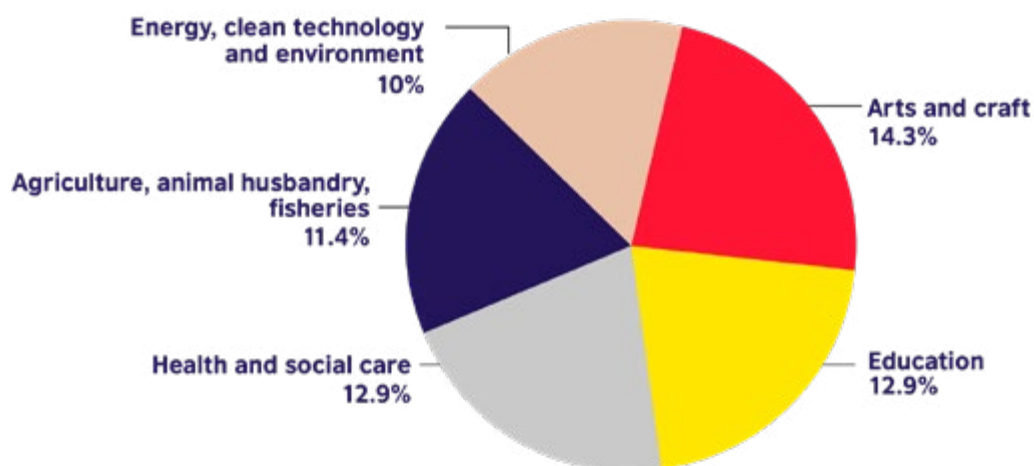
**Social enterprises in Thailand are creating more jobs for women, both full-time and part-time positions.** As shown in Table 4.5, there is an increase of 21 full-time women employees in 2018 to 22 per social enterprise in 2019, a small increase from 45 per cent to 46 per cent. Women are more likely to be employed in full-time roles in the agriculture, animal husbandry and fisheries sectors (16 per cent) as well as the education sector (12 per cent). Figure 4.19 shows the top five sectors of SEs in which women are employed full-time.

**Figure 4.19** Top five sectors of social enterprises employing women full-time



The average number of part-time female employees also rose from six per SE in 2018 to seven per SE in 2019, representing the increased proportion of total part-time employment from 69 per cent to 72 per cent (see Table 4.5). The social enterprise sectors that see the highest rates of part-time employment of women are the arts and craft (14.3 per cent) followed by education and health and social sectors (12.9 per cent), as shown in Figure 4.20.

**Figure 4.20** Top five sectors of social enterprises employing women part-time



While full-time employment of women tends to be often found among social enterprises that operate on the national scale (32 per cent), part-time employment of women is more commonly found at social enterprises at smaller than provincial level (36 per cent), as shown in Table 4.6.

**Table 4.6** Employment of women in social enterprises, by scale of operation

| Employment of women full-time<br>(100 organisations) | %          | Employment of women part-time<br>(70 organisations) | %           |
|--|------------|---|-------------|
| Smaller than provincial level                        | 27         | <b>Smaller than provincial level</b>                | <b>35.7</b> |
| Provincial level                                     | 21         | Provincial level                                    | 14.3        |
| <b>National level</b>                                | <b>32</b>  | National level                                      | 30.0        |
| Regional level                                       | 11         | Regional level                                      | 8.6         |
| International level                                  | 9          | International level                                 | 11.4        |
| <b>Total</b>   | <b>100</b> | <b>Total</b>  | <b>100</b>  |

### C) Employment of specific groups of population

**Social enterprises in Thailand are employing diverse groups of people, including marginalised groups.** As shown in Table 4.7, young adults, women (including single mothers), and the elderly are employed by a wide range of SEs. Other specific groups include the long-term unemployed (17.1 per cent), individuals with a physical or learning disability (16.4 per cent and 6.2 per cent), as well as ex-offenders (8.9 per cent). Such employment practices are sometimes even the explicit business model of SEs, which aim to provide employment opportunity to disadvantaged groups.

**Table 4.7** Employment of specific groups

| Young people<br>47.3%                           | Women (inc. single<br>mothers)<br>37.7%                                  | The elderly<br>28.1%  | Individuals with a chronic<br>illness<br>7.5%     |
|---|--|---|---|
| Long-term unemployed<br>17.1%                   | Young parents<br>15.1%   | Homeless/coming out of<br>homelessness<br>3.4%                      | Individuals with a<br>learning disability<br>6.2% |
| Ex-offenders/coming out<br>of offending<br>8.9% | Individuals with a mental<br>illness or mental health<br>problem<br>8.2% | Individuals with<br>alcohol or drug<br>addiction/dependency<br>5.5% | Refugee/asylum seekers<br>2.1%                    |
| Veterans/ex-military<br>4.8%                    | Individuals with a<br>physical disability<br>16.4%                       | Do not employ<br>23.3%  | Other<br>6.9%                                     |



| Organisation model          | Most hired                         | Second most hired                 | Third most hired   |
|-----------------------------|------------------------------------|-----------------------------------|--|
| 1) Limited company          | Young adults<br>50.6%              | Women and single mothers<br>35.2% | Elderly Individuals<br>22.0%   |
| 2) Public Company Limited   | Women and single mothers<br>100.0% |                                   |  |
| 3) Foundation / association | Young adults<br>62.5%              | Women and single mothers<br>50.0% | Young parents<br>37.5%   |
| 4) Community enterprise     | Women and single mothers<br>80.0%  | Young people<br>60.0%             | Elderly individuals<br>60.0%   |
| 5) Partnership              | Women and single mothers<br>66.7%  | Elderly individuals<br>50.0%      | Former offenders<br>33.3%  |
| 6) Co-operative             | Young adults<br>41.7%              | Women and single mothers<br>33.3% | Teenage parents<br>25.0%   |
| 7) Not legally registered   | Young adults<br>40.0%              | Elderly individuals<br>38.5%      | People with disabilities/<br>people with a chronic illness/long-term unemployed<br>20.0% |
| 8) Others                   | The elderly<br>87.5%               | Women and single mothers<br>50.0% | Young people / young parents<br>37.5%  |



#### 4.3.6 Volunteers

**Social enterprises in Thailand do not tend to rely on volunteers.** The majority of surveyed SEs do not take on volunteers or unpaid staff, while those that do tend to use only a small number. Figure 4.21 shows that 58.2 per cent of respondents have no volunteers, while only 35.6 per cent take on volunteers in some capacity.

Volunteering is not a widespread practice in Thailand. Donating financial resources is a more popular benevolent activity among Thai people<sup>7</sup>. Nevertheless, the idea of volunteering in SEs seems to be becoming more popular, as newly established SEs tend to use volunteers more frequently.

**Figure 4.21** Volunteers in social enterprises (as of 31 December 2019)

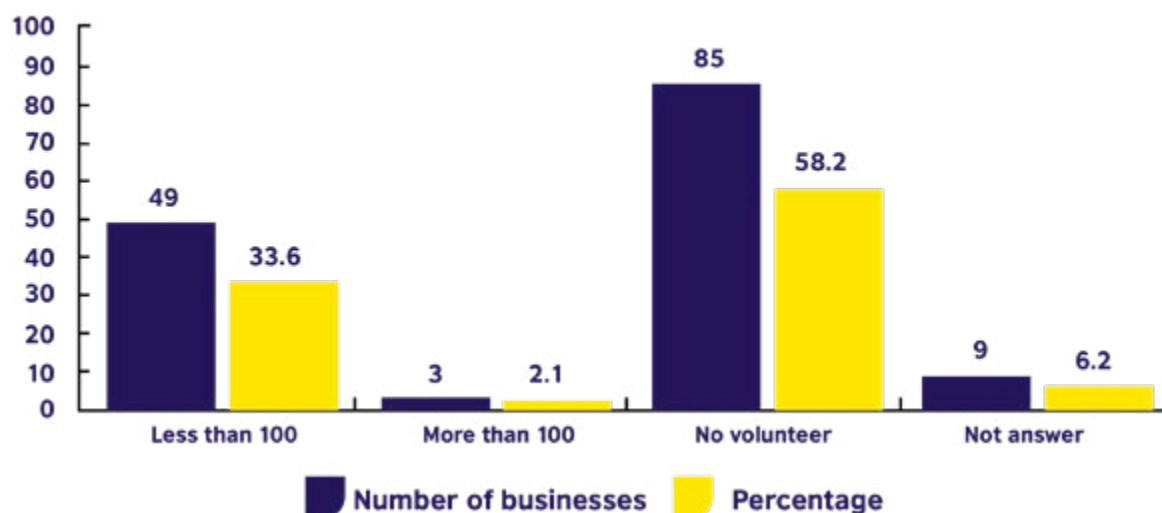
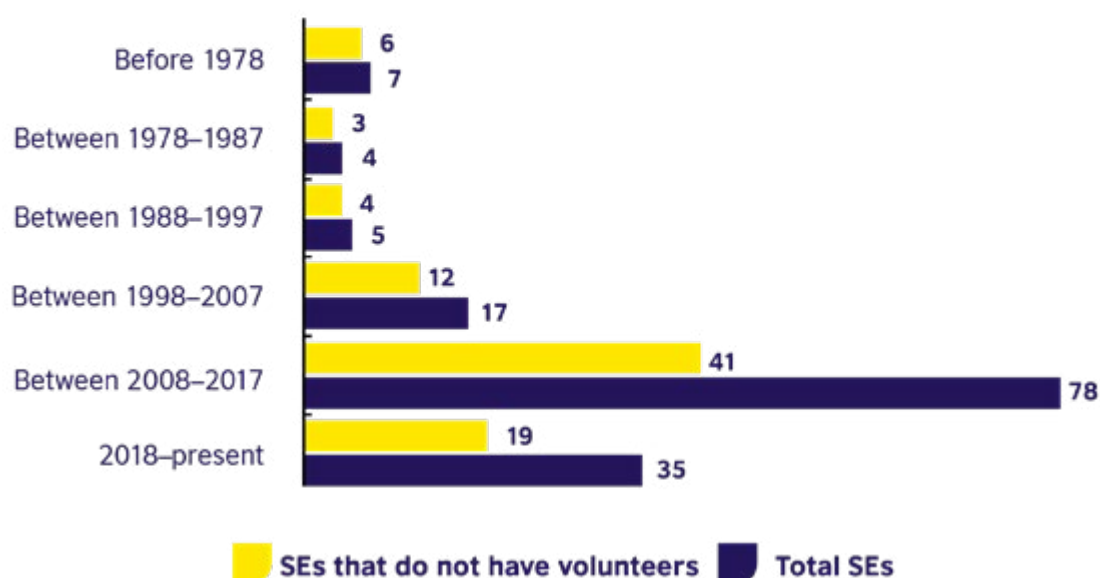


Figure 4.22 shows the social enterprises that use volunteers by year of establishment. Almost all the relatively old SEs, especially those established before 1997, have no volunteers at all, while around half of the SEs established during the past ten years are supported partly by volunteers.

**Figure 4.22** Proportion of social enterprises that do not have volunteers classified by year of establishment



<sup>7</sup> [www.cafonline.org/docs/default-source/about-us-publications/caf\\_wgi\\_10th\\_edition\\_report\\_2712a\\_web\\_101019.pdf](http://www.cafonline.org/docs/default-source/about-us-publications/caf_wgi_10th_edition_report_2712a_web_101019.pdf)

## 4.4 Financial support

**Social enterprises in Thailand receive external funding or financial support from a range of sources.** The SEs surveyed in this study receive financial support in the forms of grants from corporates (26 per cent), friends and family (25.3 per cent), and also rely on personal income (23.3 per cent), as shown in Table 4.8.

That nearly half of external financial support for social enterprises in Thailand comes from friends, family and self-support (49 per cent) indicates that formal financial sources such as commercial banks are not often yet attractive or accessible enough for social enterprises. This is also reflected in many of our interviews, which suggested that most commercial banks in Thailand do not normally give loans to SEs because of the lack of collateral.

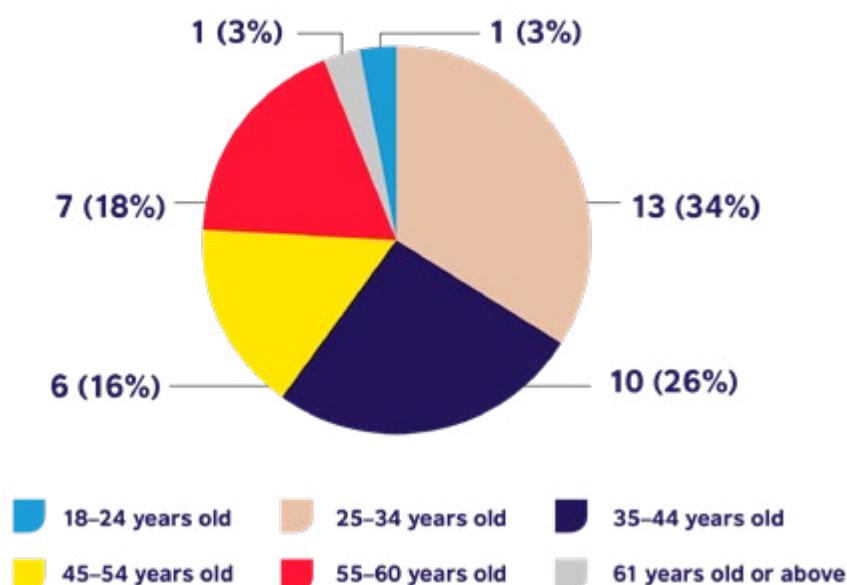
**Table 4.8** Financial support

| Financial support  | No. of respondents | %    |
|--|--------------------|------|
| Grants from a corporate  | 38                 | 26.0 |
| Funding from family or friends   | 37                 | 25.3 |
| Personal income from another job or source   | 34                 | 23.3 |
| None   | 31                 | 21.2 |
| Grants from an incubator or accelerator  | 29                 | 19.9 |
| Grants from government   | 28                 | 19.2 |
| Donations-cash, in-kind (for example, equipment)   | 23                 | 15.8 |
| Grants from a foundation   | 19                 | 13.0 |
| Concessional loan (loan with below-market interest rates, including from friends and family) | 17                 | 11.6 |
| Commercial loan (market interest rate loan)  | 16                 | 11.0 |
| Crowdfunding   | 16                 | 11.0 |
| Equity or equity-like investment   | 13                 | 8.9  |
| Others   | 10                 | 6.9  |

The study found several trends in terms of financial support. Social enterprises operating on a smaller than provincial scale were more likely to turn to personal income and grants, while SEs operating on a national scale were more likely to receive support from private organisations.

Figure 4.23 indicates that social enterprises receiving grants from corporates tend to have leaders aged 25 to 44 years old and the majority are those established during the past decade (33 out of 38). More than half of the SEs receiving grants from corporates are located in Bangkok (25 out of 38, accounting for 68 per cent)

**Figure 4.23** Social enterprises receiving grants from a corporate, by age of CEO/MD



## 4.5 Non-financial support

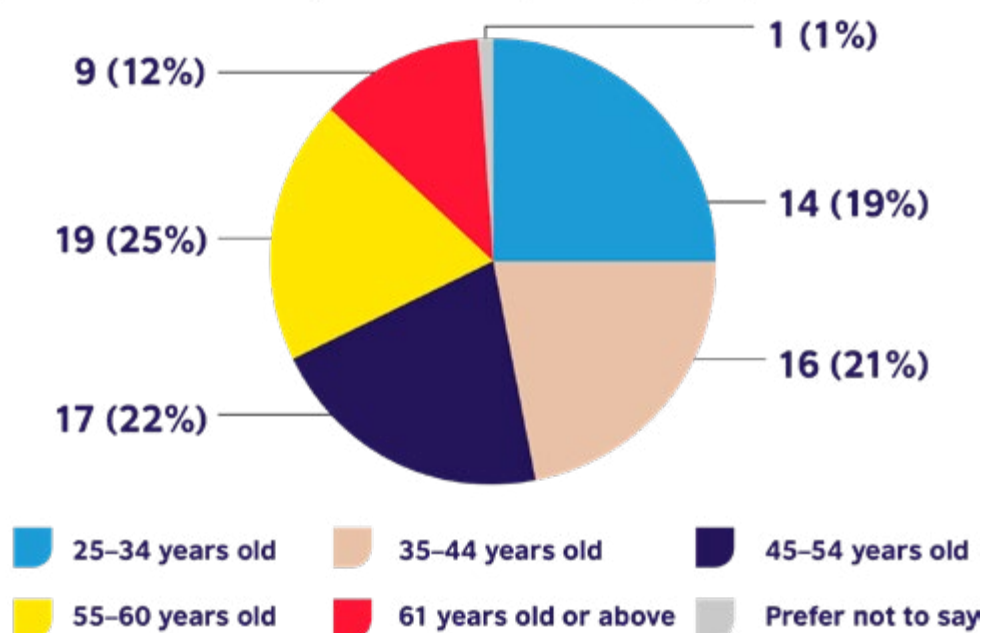
Table 4.9 shows that most non-financial support for SEs comes in the form of training (for 52 per cent), followed closely by mentorship and consultancy (for 50.7 per cent).

**Table 4.9** Non-financial support

| Non-financial support    | No. of respondents | %    |
|--------------------------|--------------------|------|
| Training                 | 76                 | 52.1 |
| Mentorship/consultancy   | 74                 | 50.7 |
| Incubator/accelerator    | 39                 | 26.7 |
| None                     | 28                 | 19.2 |
| Office space             | 24                 | 16.4 |
| Preferential procurement | 23                 | 15.8 |
| Others                   | 5                  | 3.4  |

SEs that are recipients of non-financial support tend to be more recently established and also more likely to be led by older people. But Figure 4.24 shows that training is roughly equally accessible for social enterprises across all age groups of CEOs or MDs. But contrary to the pattern with financial support, the majority of SEs accessing training are outside Bangkok (at 54 per cent).

**Figure 4.24** Social enterprises receiving trainings, by age of CEO/MD

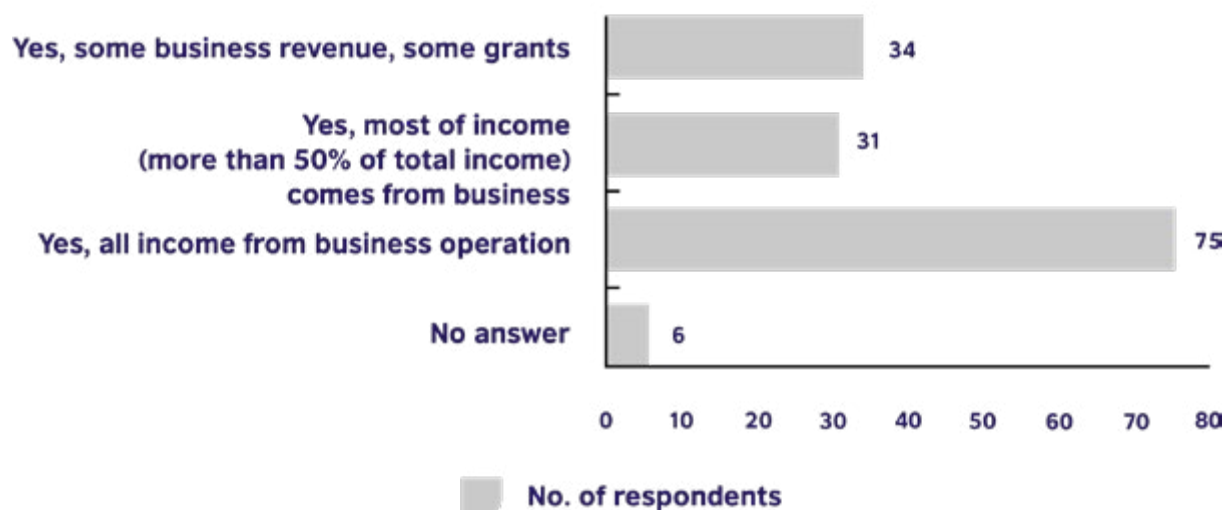




## 4.6 Income

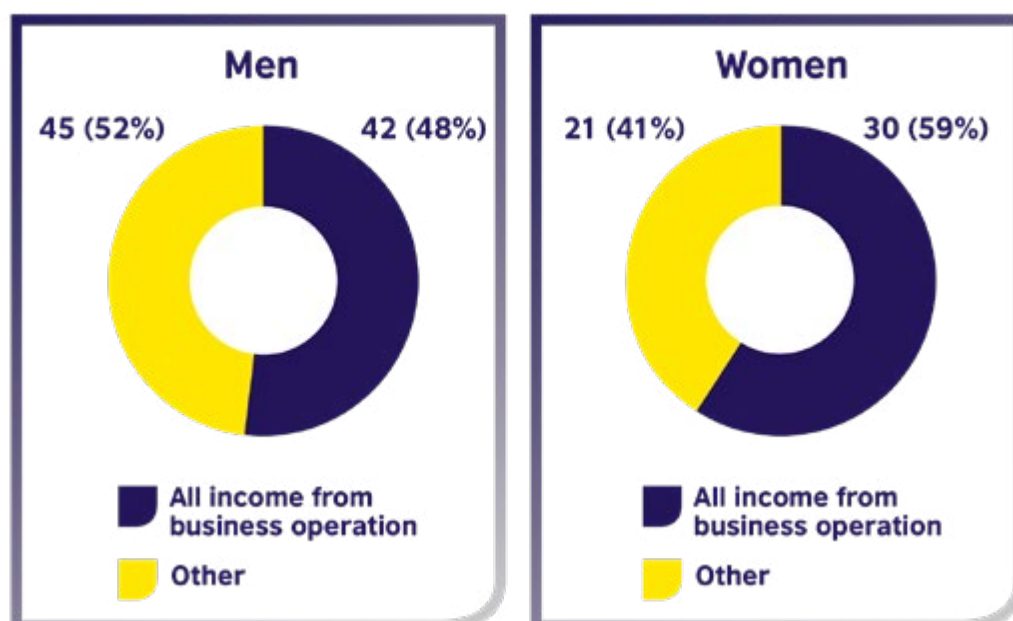
Social enterprises in Thailand are trading businesses, earning their revenue through commercial activities. Figure 4.25 shows that 51.8 per cent of enterprises surveyed in this study earn all of their revenue through trading as businesses.

**Figure 4.25** Do you generate earned income/trading revenue?



The proportion of female-led SEs that generate 100 per cent of their revenue from business operations out of all female-led SEs is higher than that of male-led SEs (59 per cent and 42 per cent respectively), as shown in Figure 4.26.

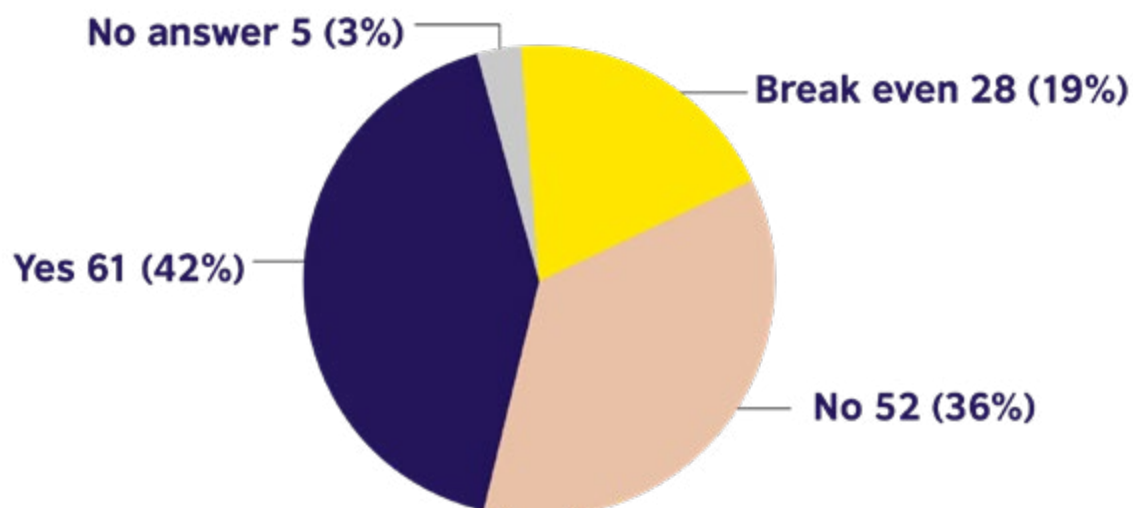
**Figure 4.26** Social enterprises that earn all revenue from business operation, by gender



## 4.7 Profits

Social enterprises in Thailand are viable businesses. Forty-two per cent reported making a profit last year, as shown in Figure 4.27, higher than the figure which did not (36 per cent). Nineteen per cent reported breaking even.

**Figure 4.27** Number of social enterprises that made a profit in the previous year



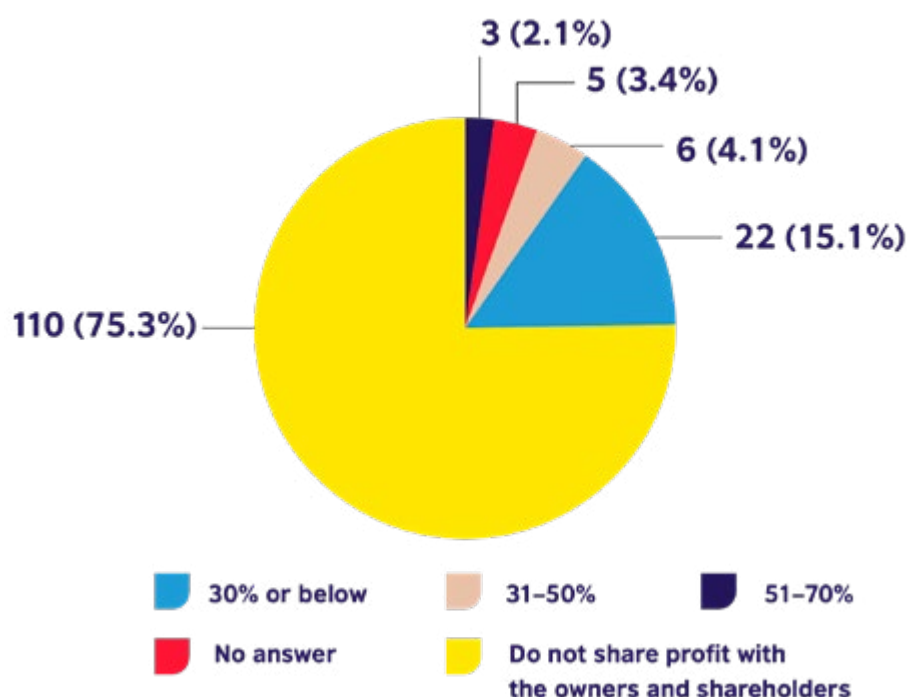
**Social enterprises in Thailand are reinvesting profits in the mission.** Around 83 per cent said that they plan to use profit in activities for organisational growth and development. The second highest priority is building reserves (56.2 per cent), and the third-highest priority is to reward staff (43.2 per cent), as shown in Table 4.10.

**Table 4.10** Plan to use profit/surplus

| Plan to use profit/surplus  | No. of respondents | %    |
|---|--------------------|------|
| Growth and development activities   | 121                | 82.9 |
| Building reserves   | 82                 | 56.2 |
| Rewards to staff  | 63                 | 43.2 |
| Cross subsidising your social mission with your business activity                               | 58                 | 39.7 |
| Funding third party social/environmental activities, for example: grants to other organisations | 48                 | 32.9 |
| Reward to beneficiaries   | 46                 | 31.5 |
| Profit sharing with owners and shareholders   | 45                 | 30.8 |
| Other   | 11                 | 7.5  |

This also reinforces how **the majority of SEs in Thailand (75.3 per cent of respondents) do not share their profits with shareholders**. Among those that do share their profits, the majority do not share more than 30 per cent, as shown in Figure 4.28. According to the Social Enterprise Promotion Act, registered SEs are not supposed to pay more than 30 per cent in dividends.

**Figure 4.28** If you shared profits with the owners and shareholders last year, what is the proportion (in comparison to total profit)?



## 4.8 Growth

**Social enterprises in Thailand are optimistic about the future.** The vast majority expect to experience future growth (81.5 per cent), while only 15.8 per cent do not expect future growth.

Table 4.11 shows that most SEs consider the development and launching of a new product or service to be the most important part of their plans for the future (65.8 per cent). This is closely followed by expanding into new geographic areas (58.9 per cent), and attracting new customers (57.5 per cent).

**Table 4.11** How does your organisation plan on achieving growth in the future?

| Plan to achieve growth in the future         | No. of respondents | %    |
|--|--------------------|------|
| Develop and launch new products and services | 96                 | 65.8 |
| Expand into new geographic areas             | 86                 | 58.9 |
| Attract new customers or clients             | 84                 | 57.5 |
| Increase sales with existing customers       | 73                 | 50.0 |
| Attract investment to expand                 | 31                 | 21.2 |
| Replicate or franchising                     | 25                 | 17.1 |
| Win business as part of a consortium         | 15                 | 10.3 |
| Merge with another organisation              | 7                  | 4.8  |
| Acquire another organisation                 | 4                  | 2.7  |
| Other  | 5                  | 3.4  |

## 4.9 Social impact

### 4.9.1 Beneficiaries

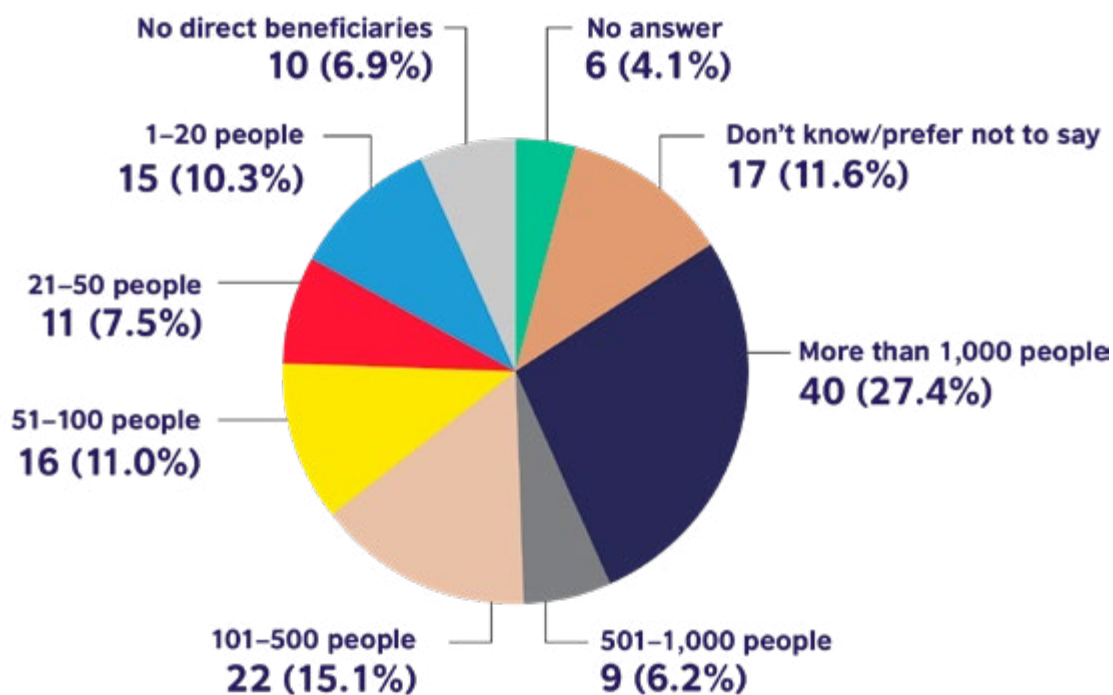
**Social enterprises in Thailand are working for a diverse range of beneficiaries.** People with low incomes, the elderly, and children and youth are the top three groups who benefit from the work of social enterprises, as shown in Table 4.12. It should be noted that, in our survey, there is no social enterprise reporting the overall objective as to advocate for the equality of the LGBTQ community. However, we find that there are ten SEs indicating that their direct beneficiaries include the LGBTQ group. This is because the question about the overall objective allows only one answer, while the question about the direct beneficiaries allows multiple answers.

**Table 4.12** Who are your enterprise's direct beneficiaries?

| Direct beneficiaries  | No. of respondents | %    |
|---|--------------------|------|
| People with low income  | 66                 | 45.2 |
| Elderly   | 59                 | 40.4 |
| Children and youth  | 58                 | 39.7 |
| Organisations (NGOs, micro and small businesses, social enterprises, self-help groups, community) | 46                 | 31.5 |
| Women   | 45                 | 30.8 |
| Do not have beneficiaries as such (for example, targeting forest, waste)                          | 37                 | 25.3 |
| LGBTQ   | 10                 | 6.9  |
| Disabled or differently-abled people  | 22                 | 15.1 |
| Ethnic minorities   | 19                 | 13.0 |
| People with health conditions, e.g. people in palliative care, with cancer, or with HIV/AIDS      | 16                 | 11.0 |
| Migrant workers, stateless people, people from underserved regions or communities                 | 15                 | 10.3 |
| People with mental health needs   | 12                 | 8.2  |
| Ex-offenders  | 10                 | 6.9  |
| Homeless  | 8                  | 5.5  |
| Others  | 32                 | 21.9 |

For the 59 respondents that reported having the elderly as their main beneficiaries, 41 also employ elderly people. This reinforces the idea that some SEs employ specific groups of the population as part of their model of delivering impact. Many SEs (27.4 per cent) believe that their operations benefit more than 1,000 people over the past 12 months, as shown in Figure 4.29. Table 4.13 shows impacts generated by social enterprises in Thailand in 2019. These impacts range from environmental protection, community development, to education.



**Figure 4.29** Number of beneficiaries from the operations of social enterprises**Table 4.13** Examples of impacts in various fields

|  |   |  |
|--|---|--|
| <b>Development of skills/knowledge</b> | Build professional skills for more than 1,000 women and elderly in the area in the past year                          | Build knowledge of liveable urban development and self-development, with an audience of about 1,000 people   |
| <b>Waste management</b>                | Handling waste and 5 tonnes of recyclable material  | Reduces plastic waste by 200,000 pieces  |
| <b>Environmental protection</b>        | Reduce PM2.5 emissions and more than 10 tonnes of carbon. and restore more than 500 rai (198 acres) of degraded soils | Reduce the burning of rice straw by 3.7 tonnes, reduce greenhouse gas emissions by about 1 tonne and reduce PM2.5 emissions by approximately 31 kg |
| <b>Community development</b>           | Local producers can showcase more than 40 products.   | Generate income of 155,000 Baht for ethnic and local music groups  |
| <b>Education</b>                       | More than 3,000 schoolchildren learn English with foreign teachers for free   | Increase the number of volunteers who will help education in Thailand to 600 people  |

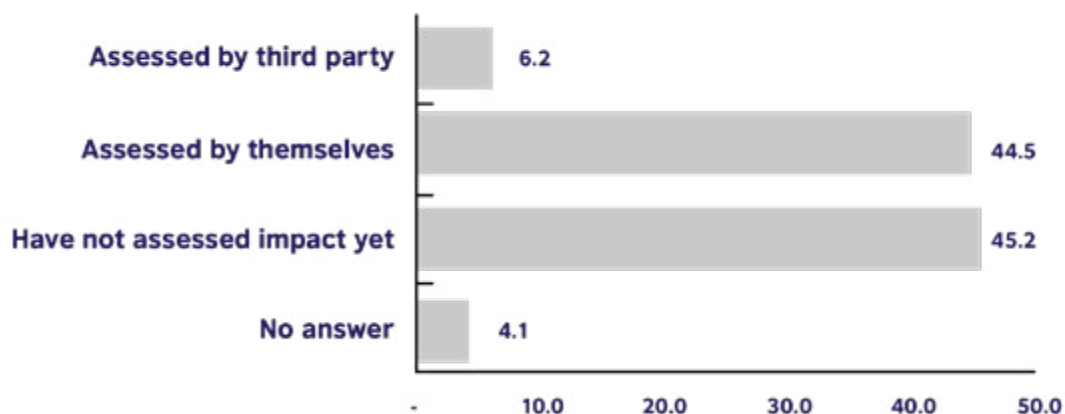


#### 4.9.2 Impact assessment

**Almost half of social enterprise conduct their own social impact assessments.** Figure 4.30 shows that 45.2 per cent of the surveyed SEs do not assess their own social impact, while a very similar proportion (44.5 per cent) had carried out impact assessments themselves. Only nine organisations (6.2 per cent) reported having their impact assessed by others.

Most SEs that measure their social impact are smaller ones, with less than ten permanent employees. The characteristics of SEs commissioning external organisations to conduct impact evaluations are rather mixed, with half having more than 20 full-time employees.

**Figure 4.30** Percentage of social enterprises that conduct an impact assessment



Although our survey did not explore the causes of the low adoption of external impact assessment among SEs, it was one of the topics mentioned during our consultation workshop. Several leading players in the SE ecosystem agreed that external impact assessments are currently very costly, putting too much of a financial burden on SEs.

#### 4.10 Obstacles

Social enterprises in Thailand face a range of obstacles. Access to capital and the limited understanding of social enterprise among the general public or customers are major obstacles reported by SEs - see Table 4.14.

**Table 4.14** Obstacles faced by Social Enterprises

| Obstacles  | No. of respondents | %    |
|--|--------------------|------|
| Cash flow  | 50                 | 34.3 |
| Capital (debt/equity)  | 34                 | 23.3 |
| Understanding/awareness of social enterprise among general public/customers        | 33                 | 22.6 |
| Obtaining grant funding  | 32                 | 21.9 |
| Recruiting other staff   | 25                 | 17.1 |
| Lack of demand for product or service, low sales                                   | 24                 | 16.4 |
| Production capacity  | 21                 | 14.4 |
| Shortage of managerial skills  | 20                 | 13.7 |
| Regulations/red tape   | 17                 | 11.6 |
| Access to market – no access to distribution channel                               | 17                 | 11.6 |
| Understanding/awareness of social enterprise among banks and support organisations | 16                 | 11.0 |
| Shortage of technical skills   | 15                 | 10.3 |

| Obstacles  | No. of respondents | %   |
|--|--------------------|-----|
| Taxation, VAT, business rates  | 13                 | 8.9 |
| Lack of access to support and advisory services  | 11                 | 7.5 |
| Economic climate (fiscal regulations, prohibitive commissioning, exchange rate losses) | 11                 | 7.5 |
| Availability or cost of suitable premises  | 8                  | 5.5 |
| Late payment   | 8                  | 5.5 |
| Expensive transportation/logistic or distribution of your product                      | 8                  | 5.5 |
| Access to public services (transport, energy, water and sanitation)                    | 2                  | 1.4 |
| Others   | 10                 | 6.9 |

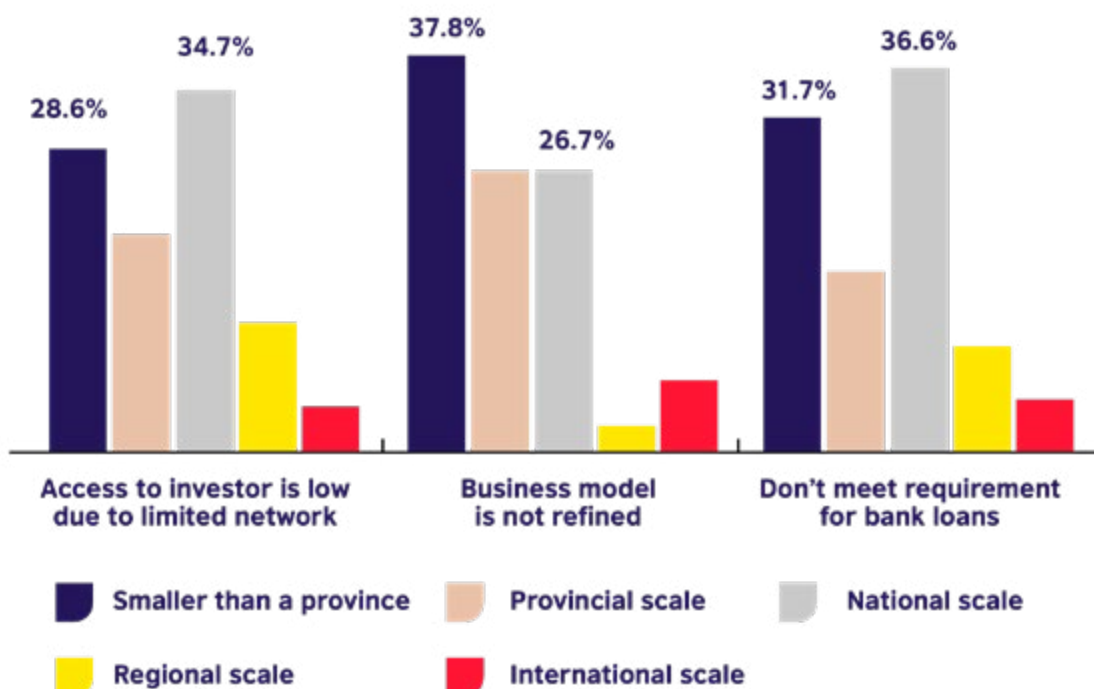
Limited access to investors due to a lack of networks and corporate relationships is a major constraint to accessing finance for SEs (33.6 per cent). This is closely followed by having an unrefined business model (30.8 per cent), and not meeting the requirements for bank loans (28.1 per cent), as shown in Table 4.15.

**Table 4.15** What have been your organisation's top three constraints to financing?

| Constraints to financing                                      | No. of respondents | %           |
|---|--------------------|-------------|
| <b>Access to investor is low due to limited network</b>       | <b>49</b>          | <b>33.6</b> |
| <b>Business model is not refined</b>                          | <b>45</b>          | <b>30.8</b> |
| <b>Don't meet requirement for bank loans</b>                  | <b>41</b>          | <b>28.1</b> |
| Limited track/performance record                              | 34                 | 23.3        |
| Securing capital and financing is not one of major constraint | 31                 | 21.2        |
| Generating revenue for equity investors                       | 21                 | 14.4        |
| Limited supply of capital                                     | 16                 | 11.0        |
| Regulatory constraints with international capital             | 13                 | 8.9         |
| Other   | 13                 | 8.9         |

Of these difficulties, accessing investors and meeting criteria for credit are the most frequently cited obstacles for social enterprises operating at a national level (see Figure 4.31). On the other hand, smaller than provincial level enterprises cite unrefined business models as the major constraint for their enterprises.

**Figure 4.31** Top three obstacles faced by social enterprises, sorted by scale of operation



The findings correspond with the information given by KIIs with support organisations. Access to finance was mentioned most often when asked about the obstacles faced by SEs. This includes problems with early-stage grant funding, tax benefits for investors, and the costs of debt financing from institutional sources.

With regard to equity financing, the survey suggests that most SEs believe they cannot access investment due to their limited connections in the investor field. Yet our KIIs suggested there are indeed very few impact investors in the national ecosystem. Two KIIs specifically described how perceptions of financing for social impact are still largely associated with philanthropy.

The second most common obstacle identified in our KIIs was the lack of business knowledge and skills. This includes, for example, business management, legal knowledge, understanding of financing, and available support in the ecosystem, as well as a lack of a growth mindset.

The third obstacle suggested by the KIIs was market access, which links to a call for preferential procurement measures in the public sector.

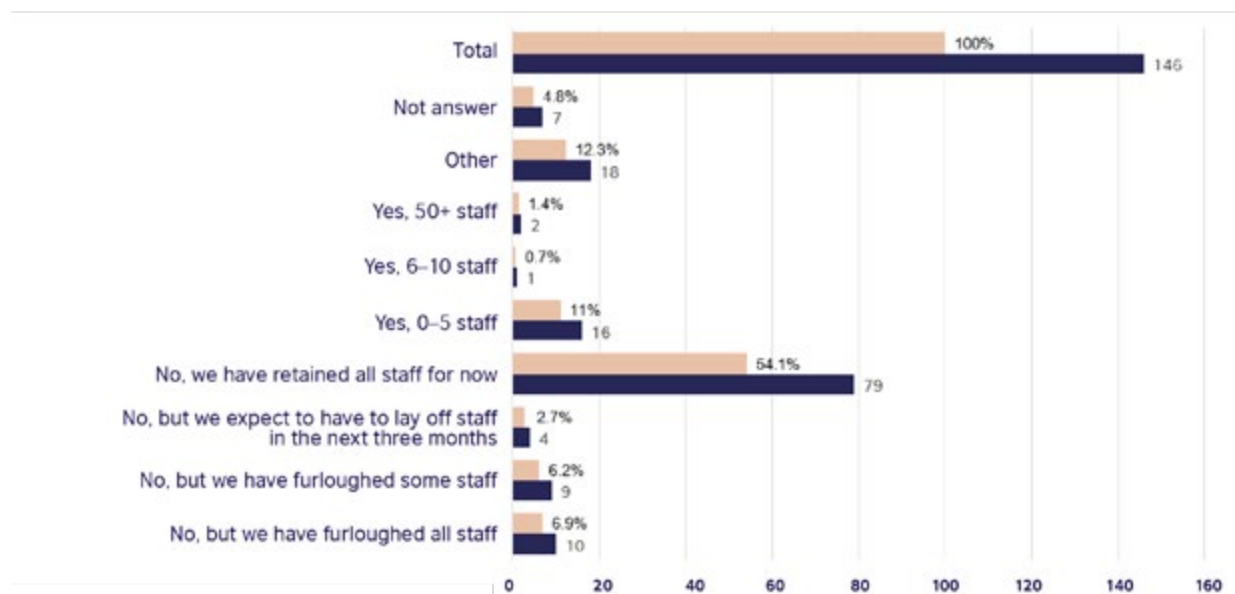
Last but not least, awareness of SEs among entrepreneurs and the general public is still lacking. Social entrepreneurs have limited knowledge of the advantages of certifying as SEs, while 'mainstream' entrepreneurs do not understand what SE is. Demand for SE products and services is also lower than it could be due to a lack of consumers' understanding of SE.



## 4.11 Effect of the Covid-19 pandemic

The 2020 Covid-19 epidemic has had a range of impacts on social enterprises in Thailand. Social enterprises have been perhaps surprisingly resilient. The majority of surveyed SEs (54.1 per cent) reported that they saw no need to lay off staff during the Covid-19 pandemic, and only 19 SEs reportedly had to lay off staff (see Figure 4.32). However, it should be noted that this survey was conducted during the early stages of the pandemic.

**Figure 4.32** Have you been forced to permanently lay off any staff? If so, how many?



At the time of writing this report, there has been no policy assistance from government specifically targeting SEs. Around half of respondents (48 per cent) reported not having access to any governmental support. Among those that did, the main measures received were measures for social security contributions for three months, as shown in Table 4.16.

**Table 4.16** Have you or will you use any of the following support measures announced by the government?

| Measures announced by the government  | No. of respondents | %    |
|---|--------------------|------|
| None  | 70                 | 48.0 |
| Measures for social security contributions for 3 months   | 31                 | 21.2 |
| Measures to provide remedies for people without social security (5,000 Baht per month for three months)   | 26                 | 17.8 |
| Measures to postpone the payment of tax   | 19                 | 13.0 |
| Loan project to assist small entrepreneurs affected by the Covid-19 outbreak by the Small and Medium Enterprise Development Bank of Thailand                | 14                 | 9.6  |
| New loans (soft loans) for SMEs, credit limit up to 500 million Baht, special interest rate of 2% per annum, without interest charge for the first 6 months | 13                 | 8.9  |
| Measures to support the use of digital technology to help businesses of the Digital Economy Promotion Agency  | 9                  | 6.2  |
| Measures to automatically suspend payment of principal debt by the Small and Medium Enterprise Development Bank of Thailand (SME)                           | 8                  | 5.5  |
| Postponement of debt repayment schedule for SMEs with credit limit not exceeding 100 million Baht for a period of 6 months                                  | 7                  | 4.8  |
| Others  | 3                  | 2.1  |
| Selling matured debt securities to the private equity market liquidity fund   | 0                  | 0.0  |

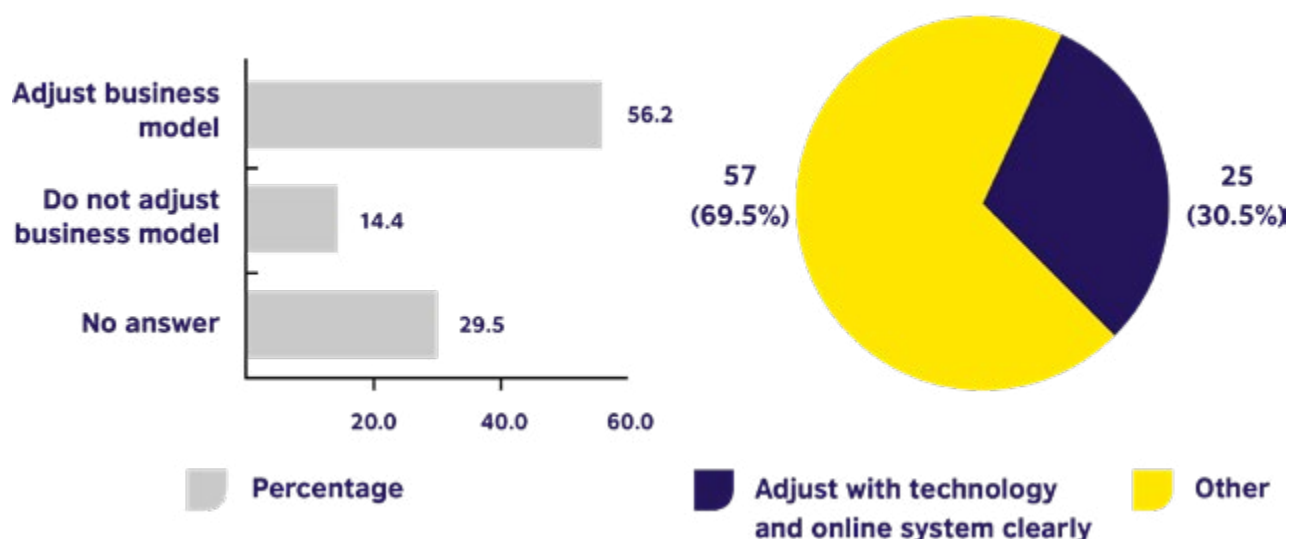
**During the pandemic, most SEs (65.1 per cent) report that they need support to establish contact and networking with funders.** This is followed by co-ordinating non-financial support from outside agencies (34.3 per cent), and providing and signposting to guidance on how to run a business during Covid-19 (for 31.5 per cent), as shown in Table 4.17.

**Table 4.17** What support do you need at this time?

| Support needed  | No. of respondents | %    |
|---|--------------------|------|
| Connecting you with funders that may be able to assist your social enterprise                           | 95                 | 65.1 |
| Connecting your social enterprise with offers of in-kind support  | 50                 | 34.3 |
| Lobbying government to get support for social enterprises during Covid-19                               | 46                 | 31.5 |
| Providing and signposting to guidance on how to run your business during Covid-19                       | 33                 | 22.6 |
| Running webinars on a range of practical topics (e.g. digital working, insurance, loan financing, etc.) | 23                 | 15.8 |
| Connecting you with temporary staff/volunteers  | 23                 | 15.8 |
| No need for support   | 14                 | 9.6  |
| Others  | 14                 | 9.6  |

Social enterprises in Thailand have been agile in challenging circumstances. The majority of SEs have transformed their operations in response to the Covid-19 pandemic. Nearly 60 per cent have modified their operations, as shown in Figure 4.33. Meanwhile 30.5 per cent report that they have transformed their operations online entirely and have adjusted their business operations with technology permitting remote working and overcoming problems with inaccessibility under lockdown conditions.

**Figure 4.33** Adjusting business model in response to the Covid-19



## 5

# Conclusions

**Social enterprises in Thailand play a fundamental role in the socio-economic development of the country. In summary, social enterprises:**

- operate largely within three sectors: agriculture, health, and education
- are young – most SEs in Thailand (53 per cent) started within 2008–2017, the same time period in which the government started promoting SEs
- are most likely to be based in Bangkok (56.2 per cent)
- are often registered as a limited company (62.3 per cent)
- are more often led by women than business more widely
- operate at local, provincial, national and international scales are often led by younger generations.
- often employ young people (47.3 per cent)
- tend to receive non-financial support in the form of training (52.1 per cent)
- are optimistic and expect future growth (81.5 per cent)
- face limited access to investors, which is a major financial constraint for SEs (33.6 per cent)
- do not tend to hire volunteers or unpaid staff, while those that do only maintain a small number
- serve a range of vulnerable individuals such as the elderly, low income earners, and young people
- are resilient – most SEs in Thailand did not lay off staff during the Covid-19 epidemic
- are agile – many have transformed their operations online
- need support – a substantial number report receiving no government support and find themselves in need of funding support



## 6

# Recommendations

Based on our findings in this report, we offer five recommendations as follows.

## 1. Promote awareness and understanding of social enterprise

Our study finds that there is a lack of understanding among the general public consumers and investors in Thailand about social enterprise. This includes who they are, what they do, how SEs are different from other types of organisation, and their contribution to Thai society. Increasing awareness of SEs in Thailand can help attract customers, investment and improve the wide enabling environment.

Social enterprises can be promoted as a tool for economic equality. Thailand already has a huge base of co-operatives and community enterprises, which can also be considered part of the social enterprise community.

An awareness raising campaign may be in a variety of forms. The Win-Win-War television programme is a good example of showing how to transform social development ideas into viable business operations. Other similar events supported by TSEO are competitions and marketplace for SEs at an annual expo. OSEP and network organisations such as SE Thailand should work together to create more platforms like these in future and explore opportunities for jointly supported awareness-raising campaigns, harnessing the media, personalities, advertising campaigns, education curricula and more.

## 2. Information and research

There are specific gaps in available information on social enterprise in Thailand. For instance, the contribution of and challenges facing social enterprises operating in the form of co-operatives and community enterprises can be better understood. OSEP should consider linking the databases from the registrars of co-operatives and community enterprises to compile more information about social enterprises in Thailand. Such information would help develop a more accurate estimate of the number of social enterprises in Thailand, their areas of work, their objectives, their contribution and their support needs. OSEP and others can use these findings to design a more focused and responsive policy framework for social enterprises in Thailand.

## 3. Demonstrate impact and contribution

To engage more investors and promote awareness among the public, understanding the social impact and contribution of SEs can help. Currently, the cost of conducting social impact assessments is quite high; approaches are variable and contested.

OSEP should consider how to support social enterprises to demonstrate their impact, including making impact assessment tools and approaches more appropriate, consistent and affordable for SEs. There are international standards available, but these need to be adapted into the local context and language. Indicators used for assessment may also need to vary across sectors, areas, and sizes of SEs. Making information available about these indicators to SEs for assessment is also crucial.

This tool may be based on common principles and a minimum set of standards that SEs may adopt to communicate with the public and others. OSEP should also consider providing subsidy for the cost of conducting impact assessments by professionals or the cost of peer review.

## 4. The law

Currently, donors and investors in SEs can receive a tax deduction. However, the tax deduction benefit is only granted to institutional supporters. To encourage more investment into early-stage SEs, in particular, this tax benefit could be adapted and also extended to offer incentives to individual investors, building on the existing benefit granted to institutional investors. This may be done by issuing a subsidiary law, either in the form of a ministerial regulation or another Royal Decree on the Taxation Code regarding tax exemption.

Meanwhile, implementing the other two benefits prescribed in the law should be a priority for OSEP, co-ordinating with other relevant agencies. One is the Social Enterprise Promotion Fund, to provide loans and grants for registered SEs, as well as support intermediaries in providing non-financial support such as capacity building for both registered and non-registered SEs.

Second is the favourable treatment in government procurement. A formal policy should apply to all government agencies that clearly states how this treatment should operate. For example, SEs receive a higher scoring when procurement awards are made, and/or social and environmental impact should be included in the scoring criteria.



## 5. Expanding funding and finance

SEs may face additional barriers to accessing finance and funding, beyond those faced by SMEs more widely. The survey findings suggest that many SEs have to rely on informal sources of capital, such as loans from family and friends. Investors specifically aiming to invest in SEs are also limited in number.

The Social Enterprise Promotion Fund prescribed under the Social Enterprises Promotion Act B.E. 2562 (2019) is probably the most direct source of funding for SEs at present. However, the fund is still new and should be expanded, as the current pot of money comes from registration fees.

Granting tax benefits to individuals and corporates which donate money into the fund should be considered.







# Appendix:survey questions

## Section 1: General information about your organisation

1. What is the name of your organisation?

2. In which year did your organisation formally begin operating (please state the year in B.E.)? If the year your organisation formally operated differs from the year of legal registration, please state the year of first operation.

3. What are your organisation's overall objectives? (Choose one that is the most important.)

- ☐ Sell a product or service
- ☐ Improve a particular community
- ☐ Create more inclusive employment opportunities
- ☐ Improve health and well-being
- ☐ Promote education and literacy
- ☐ Protect the environment
- ☐ Address financial exclusion
- ☐ Promote welfare among children and youth
- ☐ Empower women
- ☐ Disaster relief
- ☐ Preserve local wisdom and culture
- ☐ Support vulnerable people
- ☐ Advocate equality for LGBTQ+
- ☐ Create sustainable cities
- ☐ Support other social enterprises / organisations
- ☐ Others (Please specify) .....

4. In which province does your organisation have its headquarters?

5. At which scale is your organisation operating?

- ☐ Smaller than a province (district, sub-district or village scale)
- ☐ Provincial scale
- ☐ Regional scale
- ☐ National scale
- ☐ International scale

## Section 2: Organisation's status

### 6. What kind of legal entity do you have?

- ☐ Company Limited
- ☐ Public Company Limited
- ☐ Foundation/association
- ☐ Community Enterprise
- ☐ Partnerships
- ☐ Co-operative
- ☐ Do not have legal entity
- ☐ Others (Please specify) .....

### 7. Have you registered your organisation as a 'Social Enterprise'?

- ☐ Registered
- ☐ In the process of registration
- ☐ Do not intend to register
- ☐ Intend to register within.....years (Please specify)

### 8. What is the main purpose of your business?

- ☐ Social/environmental mission
- ☐ For-profit
- ☐ Both equally
- ☐ Other (please specify) .....

### 9. Is your organisation a subsidiary of another organisation?

- ☐ No
- ☐ Yes (please specify head organisation) .....

## Section 3: Personnel

### 10. What is the gender of the person currently in charge of your organisation? (CEO / MD)

- ☐ Male
- ☐ Female
- ☐ Neither / Prefer not to say

### 11. In what age range is the person in charge of the organisation?

- ☐ Under 18 years old
- ☐ 18–24 years old
- ☐ 25–34 years old
- ☐ 35–44 years old
- ☐ 45–54 years old
- ☐ 55–60 years old
- ☐ 61 years old or above
- ☐ Prefer not to say



**12. What is the highest education level of your organisation's leader?**

- ☐ Higher than bachelor's degree
- ☐ Bachelor's degree or equivalent
- ☐ Diploma
- ☐ Vocational school
- ☐ Senior high school or equivalent
- ☐ Junior high school
- ☐ Prefer not to say

**13. Do you have a Board of directors/trustees?**

- ☐ Yes
- ☐ No (please skip to No.15)

**14. How many members of the Board/trustees are there? (Please answer '0' if there are none.)**

- Total number of members/trustees
- Number of male members/trustees
- Number of female members/trustees

**15. How many paid full-time staff have you employed? (If there's no full-time staff, please type '0'.)**

- Number of full-time employees at 31 December 2019:
- Number of full-time female employees at 31 December 2019:
- Number of full-time employees at 31 December 2018:
- Number of full-time female employees at 31 December 2018:

**16. How many paid part-time staff have you employed? (If there's no part-time staff, please type '0'.)**

- Number of part-time employees at 31 December 2019:
- Number of part-time female employees at 31 December 2019:
- Number of part-time employees at 31 December 2018:
- Number of part-time female employees at 31 December 2018:

**17. Do you have volunteers in your organisation (who do not get paid)? If yes, please specify the number at 31 December 2019.**

- ☐ Yes,.....volunteers
- ☐ No
- ☐ Prefer not to say

**18. Do you employ any of the following? (Select as many answers as relevant.)**

- ☐ Individuals with a learning disability
- ☐ Individuals with a physical disability
- ☐ Individuals with a mental illness or mental health problem
- ☐ Individuals with a chronic illness
- ☐ Long-term unemployed
- ☐ Older people
- ☐ Homeless/coming out of homelessness
- ☐ Young people
- ☐ Ex-offenders/coming out of offending
- ☐ Young parents
- ☐ Alcohol or drug addiction/dependency
- ☐ Refugee/asylum seekers
- ☐ Veterans/ex-military
- ☐ Women (inc. single mothers)
- ☐ No
- ☐ Other (please specify).....

## Section 4: Operation

**19. What is the main sector you operate in? (Please select only ONE answer)**

- ☐ Agriculture, animal husbandry, fisheries
- ☐ Energy, clean technology and environment
- ☐ Tourism
- ☐ Food and nutrition
- ☐ Education
- ☐ Financial services (P2P lending, crowdfunding, micro finance, Etc.)
- ☐ Health and social care
- ☐ Livelihood and employment creation
- ☐ Services (ICT or any other service for personal purpose)
- ☐ Mobility and transport
- ☐ Business development services and entrepreneurship support (including to charities and NGOs, including service for business or organisation purpose, such as advertising, graphic design)
- ☐ Arts and Craft
- ☐ Fashion
- ☐ Movies, music, video and photography, publication, gaming
- ☐ Architecture and Interior design
- ☐ Performing arts
- ☐ Other (please specify) .....

**20. What forms of finance and funding have you received in the last three years? (Please choose ALL that are applicable to your organisation.)**

- ☐ Grants from government
- ☐ Grants from foundation
- ☐ Grants from a corporate
- ☐ Grants from an incubator or accelerator
- ☐ Donations—cash, in kind (for example, equipment)
- ☐ Concessional loan (loan with below-market interest rates, including from friends and family)
- ☐ Commercial loan (market interest rate loan)
- ☐ Equity or equity-like investment
- ☐ Crowdfunding
- ☐ Personal income from another job or source
- ☐ Funding from family or friends
- ☐ None
- ☐ Others (please specify).....

**21. Apart from grants, what other support have you received? (Select as many answers as relevant.)**

- ☐ Incubator/accelerator
- ☐ Mentorship/consultancy
- ☐ Training
- ☐ Office space
- ☐ Preferential procurement
- ☐ None
- ☐ Other (please specify) .....

**22. Do you generate earned income/trading revenue?**

- ☐ No, we receive grants or donations only
- ☐ Yes, some traded revenue (or sales or earned income), some grants.
- ☐ Yes, mostly supported by traded revenue (or sales or earned income)—more than 50% of total revenue
- ☐ Yes, we earn trading revenue (or sales or earned income) only

**23. In the previous year, what was the average monthly turnover of your organisation? (Please answer in Thai Baht currency/excluding grants, donations, or awards) If this question is not applicable to your organisation, please fill '0' in the box below.**

**24. Did you make a profit or surplus last year?**

- ☐ Yes
- ☐ No
- ☐ Breakeven

**25. How do you use/plan to use your profit/surplus? (Select as many answers as relevant.)**

- ☐ Growth and development activities
- ☐ Rewards to staff
- ☐ Reward to beneficiaries or community
- ☐ Profit sharing with owners and shareholders
- ☐ Building reserves
- ☐ Funding third party social/environmental activities—for example, grant to other organisations
- ☐ Other (please specify)

**26. If you shared profits with the owners and shareholders last year, what is the proportion (in comparison to total profit)?**

- ☐ 30% or below
- ☐ 31–50%
- ☐ 51–70%
- ☐ 71% or above
- ☐ Did not share profit with the owners and shareholders

**27. Do you expect your organisation to grow over the next year?**

- ☐ Yes
- ☐ No (please skip to No.29)

**28. How does your organisation plan on achieving growth in the future? (Please choose ALL that are applicable)**

- ☐ Increase sales with existing customers
- ☐ Expand into new geographic areas
- ☐ Develop and launch new products and services
- ☐ Attract new customers or clients
- ☐ Replicate or franchising
- ☐ Attract investment to expand
- ☐ Merge with another organisation
- ☐ Acquire another organisation
- ☐ Win business as part of a consortium
- ☐ Other (please specify) .....



## Section 5: Social impact

**29. Do you consider any of the following groups to benefit directly from your organisation's core business activities? (Please choose ALL that are applicable.)**

- ☐ People with low-income
- ☐ Women
- ☐ LGBTQ
- ☐ Children and youth
- ☐ Elderly
- ☐ Disabled or differently-abled people
- ☐ People with mental health needs
- ☐ People with health conditions, e.g. people in palliative care, with cancer, or with HIV/AIDS
- ☐ Ex-offenders
- ☐ Homeless
- ☐ Ethnic minorities
- ☐ Migrant workers, stateless people, people from underserved regions or communities
- ☐ Organisations (NGOs, micro and small businesses, social enterprises, self-help groups, community)
- ☐ Do not have beneficiaries as such  
(for example, targeting forest, waste, etc. Please explain your impact in the next question.)
- ☐ Others (Please specify)

**30. How many direct beneficiaries did you support over the past 12 months? (Please specify all no. of beneficiaries that you apply in the previous question.)**

- ☐ No direct beneficiaries
- ☐ 1–20
- ☐ 21–50
- ☐ 51–100
- ☐ 101–500
- ☐ 501–1000
- ☐ >1000
- ☐ Don't know/prefer not to say

**31. In case you do not have beneficiaries, could you share another quantitative impact you have created in the past 12 months?**

*Example: 10,000 sq.m. idle land has been used for productive agriculture, 1,000 kg waste has been recycled, ten tCO2 equivalent of greenhouse gas has been reduced.*

### 32. Do you measure your social and/or environmental impact?

- ☐ Yes, we measure it ourselves
- ☐ Yes, it is measured and verified independently
- ☐ No, we haven't conducted social impact assessment yet

## Section 6: Obstacles

### 33. What are the major barriers which your organisation faces? (Please select maximum three answers.)

- ☐ Capital (debt/equity)
- ☐ Obtaining grant funding
- ☐ Cash flow
- ☐ Recruiting other staff
- ☐ Shortage of managerial skills
- ☐ Shortage of technical skills
- ☐ Lack of access to support and advisory services
- ☐ Understanding/awareness of social enterprise among banks and support organisations
- ☐ Understanding/awareness of social enterprise among general public/customers
- ☐ Lack of demand for product or service, low sales
- ☐ Economic climate (fiscal regulations, prohibitive commissioning, exchange rate losses)
- ☐ Access to public services (transport, energy, water and sanitation)
- ☐ Taxation, VAT, business rates
- ☐ Availability or cost of suitable premises
- ☐ Late payment
- ☐ Regulations/red tape
- ☐ Access to market–no access to distribution channel
- ☐ Expensive transportation/logistic or distribute your product
- ☐ Production capacity
- ☐ Other (please specify) .....

### 34. What have been your organisation's top three constraints to financing? (Please select maximum three answers.)

- ☐ Generating revenue for equity investors
- ☐ Business model is not refined
- ☐ Access to investors is low due to limited network of personal/organisational contacts
- ☐ Limited track/performance record
- ☐ Don't meet requirement for bank loans (no legal entity, revenue, profitability and insufficient collateral)
- ☐ Limited supply of capita
- ☐ Regulatory constraints when securing capital from international sources
- ☐ Securing capital and financing is not one of our major constraints
- ☐ Other (please specify).....

## Section 7: Effects from Covid-19

35. Have you been forced to permanently lay off any staff? If so, how many?

- ☐ 0–5
- ☐ 6–10
- ☐ 11–20
- ☐ 21–49
- ☐ 50+
- ☐ No, but we have furloughed all staff
- ☐ No, but we have furloughed some staff
- ☐ No, we have retained all staff for now
- ☐ No, but we expect to have to lay off staff permanently in the next three months
- ☐ Other (please specify) .....

36. Have you or will you use any of the following support measures announced by the government?  
(Select as many answers as relevant.)

- ☐ Debt payment pause by SME Bank
- ☐ Loan for SMEs by SME Bank
- ☐ Six-month extension of repayment for SMEs that have existing loan of not over 100 million Baht
- ☐ New loan for SMEs that have existing loan of not over 500 million Baht, with special condition of 2% interest rate per year and first six-months interest-free
- ☐ Sell bonds that reach due date to the Corporate Bond Stabilization Fund: BSF
- ☐ Reimbursement for digital transformation activity by DEPA
- ☐ Extension of tax report
- ☐ Grant of 5,000 Baht for three months for informal workers
- ☐ Reduced contribution into social security scheme
- ☐ None
- ☐ Other (please specify) .....

37. Please provide us additional information about the government support you have claimed/ been unable to claim and challenges you are facing accessing support you need.

**38. What support do you need at this time? (Select as many answers as relevant.)**

- ☐ Providing and signposting to guidance on how to run your business during Covid-19
- ☐ Connecting you with funders that may be able to assist your social enterprise
- ☐ Lobbying government to get support for social enterprises during Covid-19
- ☐ Running webinars on a range of practical topics (e.g. digital working, insurance, loan financing etc.)
- ☐ Connecting you with temporary staff/volunteers
- ☐ Connecting your social enterprise with offers of in-kind support
- ☐ None
- ☐ Other (please specify)

**39. Have you adjusted your business model in response to the Covid-19 health emergency? If so, please give details.**

**Section 8: Additional information**

**40. About the organisation (this information is for the surveyor to contact the informant in case any question arises.)**

|                      |                      |
|----------------------|----------------------|
| Your name            | <input type="text"/> |
| Organisation address | <input type="text"/> |
| Website              | <input type="text"/> |
| Email                | <input type="text"/> |
| Phone number         | <input type="text"/> |

**41. Please name two social enterprises that you know.**



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